This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

+ *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.

+ *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.

+ *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.

+ *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at `http://books.google.com/`

TX 657.1 .W721
Williams, Louis L.
Theoretical and practical book-keeping :
Stanford University Libraries
3 6105 04931 2056

ED BY THE PUBLISHERS
—TO THE—
-BOOK COLLECTION
—OF THE—
Department of Education
ID STANFORD JUNIOR UNIVERSITY

retail price of this book is

SCHOOL OF EDUCATION
LIBRARY

TEXTBOOK COLLECTION
GIFT OF
THE PUBLISHERS

STANFORD UNIVERSITY
LIBRARIES

WARREN B. BROWE

Cee

Theoretical & Practical Book Keeping
Pages 38 & 39
Use of Red Ink
Page 41 Acceptance
" 50 Business Letter
14 " 206
210 Bill

THEORETICAL

AND

WARREN B. BROWN

PRACTICAL

BOOK-KEEPING,

BY

DOUBLE AND SINGLE ENTRY,

FOR USE IN

BUSINESS COLLEGES,

COMMON SCHOOLS, HIGH SCHOOLS AND ACADEMIES, AND FOR SELF-INSTRUCTION.

SIXTIETH THOUSAND.---REVISED.

1887.

LIBRARY OF THE
LELAND STANFORD JUNIOR UNIVERSITY.

A. 44953
DEC 7 1900

Entered according to Act of Congress, in the year 1882,
By WILLIAMS & ROGERS,
In the office of the Librarian of Congress, at Washington, D.C.

E. R. Andrews, Printer and Bookbinder, Rochester, N. Y.

PREFACE.

WE do not claim that we have enunciated any new principles in the course of study in the science and practice of book-keeping contained in this work. We do claim, however, that we have arranged those already established in such a manner, and accompanied that arrangement with such clear and complete explanations, as will insure the pupil a knowledge of the subject, practically independent of the instructor.

While we have studiously avoided unnecessary theorizing, we have endeavored to give a competent reason for every step to be taken, believing that the pupil, if he have the ability to master the subject under any circumstances, will be able to secure, from the reasons and illustrations given, a thorough knowledge of the science of accounts.

We desire that the student's mind shall be constantly directed to the matter in hand—that of learning practical book-keeping—and not become confused by abstruse theories that can be of no possible use to him in pursuing the course of study, nor of the least value to him in after life.

The claim of this work to superiority over all other publications of its character is based, particularly, upon the manner in which the transactions selected as a basis of the student's work have been graded, the fullness of explanation of every step to be taken, the placing of such explanations in immediate proximity to the transactions, the system of references to the illustrations adopted, the encouragement to progress in penmanship afforded by the engraved pages, the ability of the pupil to rely upon himself, and the material lessening of the labor of the teacher.

THE AUTHORS.

DOUBLE ENTRY BOOK-KEEPING.

[1] Book-keeping is a record of business transactions. [2] The object of such record is to enable the proprietor to determine, at any time, the true condition of the business.

[3] There are two methods of book-keeping in general use, [4] termed Single Entry and Double Entry. The following explanations refer to the Double Entry method.

[5] The principal books used are the Day Book, Journal and Ledger.

[6] The Day Book, or Blotter as it is sometimes called, contains a statement of the business transactions in detail. [7] The record should be made as soon as the transaction takes place, [8] to guard against errors which might be occasioned by delay in making the entry.

[9] The Journal contains the Debits and Credits, taken from the Day Book, and arranged in a form convenient for transferring to the Ledger. [10] Deciding upon and arranging the debits and credits in the Journal is called Journalizing. [11] In every journal entry the debits and credits must be equal. [12] The Day Book and Journal may be combined, [13] by writing the particulars regarding the transactions in the Journal, in connection with the journal entry.

[14] The Ledger contains the final results, [15] which are exhibited by collecting all debits and credits having the same name under one heading. [16] Such a collection of debits and credits is called an Account. [17] An account has two sides, [18] the left side being called the Debit and [19] the right side the Credit. [20] Transferring the debits and credits from the Journal to the Ledger is called Posting.

[21] The terms Debit or Debtor, and Credit or Creditor, may be abbreviated: as, Dr. and Cr.

Other books, as the Cash Book, Bill Book, Order Book, Invoice Book, Sales Book, etc., will be explained hereafter.

[22] In Double Entry book-keeping there are three kinds of accounts aside from an account with the Proprietor: accounts with Persons, accounts with Property, and accounts representing Allowances made by us, or to us, for Interest, Discount, Exchange, Premium, Storage, Commission, Expenses, etc., by which we sustain Losses or realize Gains.

NOTE.—While it will be necessary, in due time, for the Student to become thoroughly familiar with the principles involved in the rules given on the following pages, he can do so much more easily and quickly, and with a better understanding of their application, if he learn them as he has occasion to apply them, than he can by committing them to memory in advance.

The Student, therefore, after reading carefully the following rules, examples and explanations, may proceed with the work upon his books, as instructed in the foot notes from page to page. Each step is so carefully explained, and the references so fully given, that he should have little difficulty in performing the work correctly and understandingly.

The debits and credits in any business transaction may be determined by the following

GENERAL RULES FOR JOURNALIZING.

[23] PERSONS ARE DEBITED,

[a] When they get into our debt, and
[b] When we get out of their debt.

[25] PROPERTY IS DEBITED,

Under an appropriate title, as Mdse., Real Estate, Cash, etc., when it comes into our possession.

[27] ALLOWANCES ARE DEBITED,

Under appropriate titles, as Interest, Exchange, Commission, etc., when made by us.

[24] PERSONS ARE CREDITED,

[a] When we get into their debt, and
[b] When they get out of our debt.

[26] PROPERTY IS CREDITED,

Under its appropriate title, when it goes out of our possession.

[28] ALLOWANCES ARE CREDITED,

Under their appropriate titles, when made to us.

The three kinds of accounts mentioned above are divided into [29] two general classes, one class showing Gains and Losses, and the other Resources and Liabilities.

[30] LOSSES.

An account exhibits a Loss, if the thing it represents has cost us more than it has produced.

[31] GAINS.

An account exhibits a Gain, if the thing it represents has produced us more than it has cost.

[32] RESOURCES.

An account exhibits a Resource, if it represents property on hand, or a debt owing to us.

[33] LIABILITIES.

An account exhibits a Liability, if it represents a debt owing by us.

[34] The excess in an account showing either a Resource or a Loss will be on the debit side, and [35] the excess in an account showing either a Liability or a Gain will be on the credit side.

SPECIAL RULES FOR JOURNALIZING.

The following additional rules, definitions and explanations are given to supplement and emphasize the foregoing general rules, as a further aid to the student in the work of journalizing.

THE PROPRIETOR.

Dr.

[36] The Proprietor is debited for his liabilities assumed by the business, for all amounts drawn by him from the business for his private use, and for his net loss.

Cr.

[37] The Proprietor is credited for the amount of his investment on commencing business, for all subsequent investments, and for his net gain.

[38] The title "Stock" is sometimes used in place of the proprietor's name. The explanation for a co-partnership will be given hereafter.

CASH.

Dr.

[39] Cash is debited when it is received.

Cr.

[40] Cash is credited when it is paid out.

[41] Under the title "Cash" we include Currency, Bank Checks, Postal Orders, Sight Drafts, and usually all kinds of paper payable on demand. [42] The Dr. side of cash account will always be greater, when there is any difference, [43] because we cannot pay out more than we have received, [44] and the difference will show the cash on hand, [45] which difference is a Resource. [46] When all the cash has been paid out, the account will balance.

MERCHANDISE

Dr.

[47] Mdse. is debited for its cost, when bought.

Cr.

[48] Mdse. is credited for its proceeds, when sold.

[49] Under the title "Mdse." we generally include all goods the proprietor is dealing in as a business. [50] Sometimes, however, for the purpose of exhibiting results in detail, separate accounts are opened, as "Flour," "Pork," "Beef," etc., instead of including all under the general heading "Mdse." [51] Since the Dr. side of Mdse. account shows the cost of the goods, and the Cr. side the proceeds, the

difference will show the gain or loss, providing the goods have all been sold. [52] If there is an Inventory (goods unsold), its value must first be added to the proceeds from sales, and the difference will then show the gain or loss. [53] The above rule and explanations will also apply to other property, as Real Estate (houses and lands), Bank Stock, Railroad Stock, etc., excepting that an account should be opened with each, under its appropriate title.

EXPENSE.

Dr.	Cr.
[54] Expense is debited with any outlay for carrying on the business.	[55] Expense is credited when anything of value is disposed of, which was previously debited to Expense.

[56] Under the title "Expense" we generally include such items as Rent, Salaries, Office Books, Office Furniture, Fuel, Light, etc. [57] If, as in the case of Mdse., it is desired to show results in detail, separate accounts may be opened with "Rent," "Salaries," "Office Furniture," etc., instead of including all these items under the general heading "Expense." [58] Expense account usually shows a loss.

BILLS RECEIVABLE.

Dr.	Cr.
[59] Bills Receivable is debited for the written promises to pay, of other parties, when received.	[60] Bills Receivable is credited for the written promises to pay, of other parties, when paid or otherwise disposed of.

[61] Under the title "Bills Receivable" we include, generally, Notes and Time Drafts. [62] The Dr. side of the account will always be larger, when there is any difference, [63] because we cannot dispose of a greater amount than we have received. [64] The difference in the account will show the Bills Receivable on hand, [65] which difference is a Resource. [66] The account will balance when the Bills Receivable have all been disposed of, because such bills are always debited and credited at their face value.

BILLS PAYABLE.

Dr.	Cr.
[67] Bills Payable is debited for our written promises to pay, when redeemed (that is paid).	[68] Bills Payable is credited for our written promises to pay, when issued (that is given).

[69] Under the title "Bills Payable" we include, generally, Notes and Accepted Time Drafts. [70] The Cr. side of the account will always be larger, when there is any difference, [71] because we cannot redeem a greater amount than we have issued. [72] The difference in the account will show the Bills Payable outstanding, [73] which difference is a Liability. [74] The account will balance when all the Bills Payable have been redeemed, because such bills are always debited and credited at their face value.

INTEREST AND DISCOUNT.

Dr.	Cr.
[75] Interest and Discount are debited when allowed to others.	[76] Interest and Discount are credited when allowed to us.

[77] Interest is the compensation allowed for the use of money.

[78] Discount is the allowance made for the payment of a debt before it is due.

[79] When the Dr. side of Interest and Discount account is the greater, the difference shows a loss; when the Cr. side is greater, the difference shows a gain. [80] The above rule will apply also to such accounts as Exchange, Premium, Collection, Storage, Commission, etc.

Additional rules and explanations will be given when required, in connection with the work to be performed.

EXAMPLES IN JOURNALIZING.

NOTE.—The following twenty-nine Examples, representing a series of business transactions, are designed to illustrate the application of the principles embodied in the foregoing General and Special Rules, and to serve as references to aid the student in the work of journalizing. These examples are not to be written up by the student, but should be carefully studied as follows: He should first read the Day Book Record for the transaction, then observe how it is Journalized, and also study the explanations which follow, consulting the rules to which references are made. After reading all of the examples, the student may commence the work upon his books, as instructed in note on page 12.

EXAMPLE No. 1.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
J. T. Smith commenced business this day, and invested Cash,		5000	Cash, Dr.	5000	
			To J. T. Smith, Cr.		5000

Why is Cash Dr. in above journal entry? Because Cash is received (see 39, page 6).

Why is J. T. Smith Cr.? Because the proprietor should have credit for his investment (see 37, page 6).

EXAMPLE No. 2.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.		
J. T. Smith owes C. B. Hall, on account, which is to be paid from the business,	500	J. T. Smith, Dr.	500	
		To C. B. Hall, Cr.		500

Why is Smith Dr.? Because the proprietor is Dr. for liabilities assumed by the business (see 36, page 6).

Why is Hall Cr.? Because the proprietor is in his debt (see 24, page 6).

EXAMPLE No. 3.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.		
Bought of J. E. Morse, for Cash, 200 bbls. Flour, at 6.00,	1200	Mdse., Dr.	1200	
		To Cash, Cr.		1200

Why is Mdse. Dr.? Because it is bought (see 47, page 6). Why is Cash Cr.? Because it is paid out (see 40, page 6).

EXAMPLE No. 4.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.		
Sold Geo. Andrews, for Cash, 50 bbls. Flour, at 6.75,	337 50	Cash, Dr.	337 50	
		To Mdse., Cr.		337 50

Why is Cash Dr.? Because it is received (see 39, page 6). Why is Mdse. Cr.? Because it is sold (see 48, page 6).

EXAMPLE No. 5.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.		
Bought of E. N. French, on account, 100 bbls. Beef, at 14.50,	1450	Mdse., Dr.	1450	
		To E. N. French, Cr.		1450

Mdse. is Dr. because it is bought (see 47, page 6). Why is E. N. French Cr.? Because we have bought property of him *on account* ("on account" means that we do not pay him for it at time of purchase), and we therefore get into his debt (see 24, page 6).

EXAMPLE No. 6.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Sold Reed & Mills, on account,			Reed & Mills, Dr.	1150	
50 bbls. Flour, at 7.00,	350				
50 " Beef, 16.00,	800	1150	To Mdse., Cr.		1150

Why are Reed & Mills Dr.? Because they have bought property of us on account (that is, they do not pay us for it at the time of purchase), and therefore get into our debt (see 23, page 6). Why is Mdse. Cr.? Because it is sold (see 48, page 6). Since Flour and Beef were both journalized as Mdse. when bought, we now credit Mdse. *in one amount* for the sale.

EXAMPLE No. 7.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Paid rent of store in Cash,		50	Expense, Dr. To Cash, Cr.	50	50

Why is Expense Dr.? Because rent is an item of cost in carrying on the business (see 54, page 7). Cash is Cr. because it is paid out (40, page 6).

EXAMPLE No. 8.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid E. N. French, cash to apply on account,		450	E. N. French, Dr. To Cash, Cr.	450	450

Why is E. N. French Dr.? Because we get out of his debt, to the extent of $450 (see 23, page 6). Since we gave him Cr. Jan. 5 (see Ex. No. 5) for $1450, we must now make him Dr. $450, the amount we pay him, in order that his account may show the exact amount we still owe him. Cash is Cr. because it is paid out (40, page 6).

EXAMPLE No. 9.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Received cash of Reed & Mills, to apply on account,		200	Cash, Dr. To Reed & Mills, Cr.	200	200

Cash is Dr. because it is received (39, page 6). Reed & Mills are Cr. because they get out of our debt to the extent of $200 (24, page 6). Since we made them Dr. (see Ex. No. 6) for $1150, we must now give them Cr. $200, in order that their account may show the exact amount they still owe us.

EXAMPLE No. 10.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Bought of E. D. Harris, 100 bbls. Pork, at 12.00, Gave my note at 10 days in payment.		1200	Mdse., Dr. To Bills Pay., Cr.	1200	1200

Mdse. is Dr. because it is bought (47, page 6). Bills Payable is Cr. because our written promise to pay has been issued (see 68, page 7).

EXAMPLE No. 11.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Received of Reed & Mills, their note at ten days, to apply on account,		600	Bills Rec'v, Dr. To Reed & Mills, Cr.	600	600

Bills Receivable is Dr. because the written promise of another party has been received (59, page 7). Reed & Mills are Cr. because they get out of our debt to the extent of $600, our claim for that sum now being in the form of Bills Receivable (24, page 6).

EXAMPLE No. 12.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Gave E. N. French my note at ten days, with interest, to apply on account,		500	E. N. French, Dr. To Bills Pay., Cr.	500	500

E. N. French is Dr. because we get out of his debt to the extent of $500 (23, page 6), our liability now being in the form of Bills Payable for that amount. Bills Payable is Cr. because our written promise to pay has been issued (68, page 7).

EXAMPLE No. 13.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Sold Chas. Hamlin,					
50 bbls. Flour, at 7.00,	350		Bills Rec'v, Dr.	1050	
50 " Pork, 14.00,	700		To Mdse., Cr.		1050
Rec'd payment by his note at ten days, with interest,		1050			

Bills Receivable is Dr. because the written promise of another party is received (59, page 7). Mdse. is Cr. because it is sold (48, page 6).

EXAMPLE No. 14.

DAY BOOK RECORD.				JOURNAL ENTRY FOR SAME.		
Sold F. E. Clark,				Cash, Dr.	150	
25 bbls. Beef, at 16.00,		400	See note below.	F. E. Clark, Dr.	250	
Rec'd in payment, Cash,	150			To Mdse., Cr.		400
Balance on account,	250					

Cash is Dr. because received (39, page 6). F. E. Clark is Dr. because he gets into our debt (23, page 6). Mdse. is Cr. because sold (48, page 6). The above form is equivalent to making Clark Dr. 400 and Mdse. Cr. 400 in one entry, and then making a second entry, Cash Dr. 150, Clark Cr. 150. The above form saves one entry.

EXAMPLE No. 15

DAY BOOK RECORD.				JOURNAL ENTRY FOR SAME.		
Bought of Milo Sage,				Mdse., Dr.	1950	
300 bbls. Flour, at 6.50,		1950	See note below.			
Paid him Cash,	950			To Cash, Cr.		950
Balance on account,	1000			" M. Sage, Cr.		1000

Mdse. is Dr. because bought (47, page 6). Cash is Cr. because paid out (40, page 6). Sage is Cr. because we get into his debt (24, page 6). This form saves one entry, as explained in the preceding example.

EXAMPLE No. 16.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Bought of O. F. Wilson,					
House and Lot, for			Real Estate, Dr.	1500	
Cash,		1500	To Cash, Cr.		1500

Real Estate is Dr. because bought (see 53, page 7). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 17.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Bought of W. E. Holt,					
200 bbls. Beef, at 16.00,		2600	Mdse., Dr.	2600	
Paid him Cash,	600		To Cash, Cr.		600
My note at 15 days for balance,	2000		" Bills Pay., Cr.		2000

Mdse. is Dr. because bought (47, page 6). Cash is Cr. because paid out (40, page 6). Bills Payable is Cr. because we issue our written promise to pay (68, page 7).

EXAMPLE No. 18.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.		
Bought Safe for Office,				
and paid for same in		Expense, Dr.	200	
Cash,	200	To Cash, Cr.		200

Expense is Dr. because the Safe is an item of cost in carrying on the business (54, page 7). Cash is Cr. because paid out (40, page 6).

NOTE.—In cases like the above, where part payment is made at the time of purchase, the transactions may, if desired, be journalized as follows: debit or credit the person, as the case may be, with the *full* amount in one entry, and in another entry credit or debit him with the payment.

EXAMPLE No. 19.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Sold A. D. Larkin,					
50 bbls. Flour, at 7.50,	375		Cash, Dr.	275	
25 " Beef, 16.00,	400	775	Bills Rec'v, Dr.	500	
Rec'd in payment, Cash,	275		To Mdse., Cr.		775
His note at two months for balance,	500				

Cash is Dr. because received (39, page 6). Bills Receivable is Dr. because received (59, page 7). Mdse. is Cr. because sold (48, page 6).

EXAMPLE No. 20.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
J. T. Smith drew cash from the business for private use,		350	J. T. Smith, Dr.	350	
			To Cash, Cr.		350

Smith is Dr. because he is the proprietor and draws this money for private use (36, page 6). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 21.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Rec'd of F. E. Clark, to balance account,			Cash, Dr.	100	
Cash,	100		Bills Rec'v, Dr.	150	
His note at 45 days for	150	250	To F. E. Clark, Cr.		250

Cash is Dr. because received (39, page 6). Bills Receivable is Dr. because received (59, page 7). Clark is Cr. because he gets out af our debt (24, page 6).

EXAMPLE No. 22.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid M. Sage, to apply on account, Cash,	250		M. Sage, Dr.	750	
My note at 30 days, with interest,	500	750	To Cash, Cr.		250
			" Bills Pay., Cr.		500

Sage is Dr. because we get out of his debt, in part (23, page 6). Cash is Cr. because paid out (40, page 6). Bills Payable is Cr. because we issue our written promise to pay (68, page 7).

EXAMPLE No. 23.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid my note of the 10th inst., in favor of E. D. Harris, in Cash,		1200	Bills Pay., Dr.	1200	
			To Cash, Cr.		1200

Bills Payable is Dr. because our written promise to pay is redeemed (67, page 7). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 24.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Rec'd Cash of Reed & Mills, for their note of 11th inst., due to-day,		600	Cash, Dr.	600	
			To Bills Rec'v, Cr.		600

Cash is Dr. because received (39, page 6). Bills Receivable is Cr. because the written promise to pay of another is disposed of (60, page 7).

EXAMPLE No. 25.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Paid my note of 12th inst. in favor of French, due to-day, with interest, in Cash,		501 08	Bills Pay., Dr.	500	
			Interest, Dr.	1 08	
Face of note,	500		To Cash, Cr.		501 08
Interest to date, 13 days,	1 08				

Bills Payable is Dr. because our written promise is redeemed (67, page 7). Interest is Dr. because it is allowed to others (75, page 7). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 26.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Rec'd cash of Chas. Hamlin, for his note of 13th inst., due to-day, with interest,		1052 28	Cash, Dr.	1052 28	
			To Bills Rec'v, Cr.		1050
Face of note,	1050		" Interest, Cr.		2 28
Interest to date, 13 days,	2 28				

Cash is Dr. because received (39, page 6). Bill Receivable is Cr. because disposed of (60, page 7). Interest is Cr. because it is allowed to us (76, page 7).

EXAMPLE No. 27.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Prepaid my note of 17th inst., in favor of W. E. Holt,		2000	Bills Pay., Dr.	2000	
			To Discount, Cr.		2 67
Discount off, 8 days,	2 67		" Cash, Cr.		1997 33
Paid balance in Cash,	1997 33				

Bills Payable is Dr. because our written promise has been redeemed (67, page 7). Discount is Cr. because it is allowed to us (76, page 7). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 28.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
A. D. Larkin prepaid his note of 19th inst.,		500	Discount, Dr.	4 33	
			Cash, Dr.	495 67	
Discount off, 1 mo. 22 days,	4 33		To Bills Rec'v, Cr.		500
Rec'd balance in Cash,	495 67				

Discount is Dr. because it is allowed to others (75, page 7). Cash is Dr. because received (39, page 6). Bills Receivable is Cr. because the written promise to pay of another party is disposed of (60, page 7).

EXAMPLE No. 29.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid Clerks' Salaries to date, in Cash,		100	Expense, Dr.	100	
			To Cash, Cr.		100

Expense is Dr. because Salaries is an item of cost in carrying on the business (54, page 7). Cash is Cr. because paid out (40, page 6).

NOTE TO STUDENT.—Having carefully read the preceding pages, you may now begin the work upon your books. First copy into your Day Book the business transactions for January, as given on the following pages. As you are supposed to be the proprietor of the business, you will write your name in the blank lines in the first two transactions on the next page. In copying you may omit from your Day Book the figures *at the left* of the transactions, as they are simply reference figures, to assist in journalizing. The explanations for their use will be given hereafter. You should make your pages as nearly as possible like the following, in substance, penmanship and arrangement. Read foot notes carefully, as all are *important* to an understanding of the work. Should the transactions given on a page in the text book not fill a page in your Day Book, add a sufficient number from the following page to do so, but do not in any case divide a transaction.

January 1, 1855

Ex. No. 1, p. 8.	✓	Student's name commenced business this day and invested cash	1		100 00
Ex. No. 2, p. 8.	✓	_____ owes J. S. Baker on account, which is to be paid from the business			300
Ex. No. 3, p. 8.	✓	Bought of Wm. Brown for cash 100 bbls. Flour @ 6.50	2		650
Ex. No. 5, p. 8.		Bought of H. W. Stevens on acct 50 bbls Beef @ 15.	3		750
Ex. No. 4, p. 8.		Sold Henry Jones for cash 25 bbls Flour @ 7.50	4		187 50
Ex. No. 6, p. 8.		Sold Ford & Co. on account 25 bbls Flour @ 8.	5	200	
		25 " Beef @ 17.		425	625
Ex. No. 7, p. 9.		Paid rent of Store in cash	6		25
Ex. No. 8, p. 9.		Paid H. W. Stevens cash to apply on account	8		250
Ex. No. 9, p. 9.		Received cash of Ford & Co. to apply on account	9		175
Ex. No. 4, p. 8.		Sold D. B. Martin for cash 20 bbls Flour @ 7.25	10	145	
		10 " Beef @ 16 25		162 50	307 50
Ex. No. 8, p. 9.		Paid H. W. Stevens cash on acct			100

January 12, 188-

Ex. No. 5, page 8.	Bought of Jas. T. Hoag on acct.						
	50 bbls.	Flour	7.00			350	
Ex. No. 3, page 8.	3 Bought of C. D. Lacey for cash						
	50 bbls.	Pork	11.50	575			
	50 "	Flour	6.50	325			
	50 "	Beef	14.75	737	50	1637	50
Ex. No. 6, page 8.	15 Sold Moore & Collins on acct						
	20 bbls.	Beef	16.00	320			
	10 "	Pork	14.00	140		460	
Ex. No. 9, page 9.	16 Recd. cash of Ford & Co. on acct.					150	
Ex. No. 5, page 8.	17 Bought of N. W. Stevens on acct.						
	100 bbls.	Salt	2.25			225	
Ex. No 20, page 11.	18 Student drew cash from the business for private use					75	
Ex. No. 4, page 8.	19 Sold D. V. Bell for cash.						
	25 bbls.	Salt	2.75	68	75		
	50 "	Flour	7.50	375			
	20 "	Pork	13.50	270			
	15 "	Beef	16.	240		953	75
Ex. No. 8, page 9.	20 Paid Jas. T. Hoag cash in full of account					350	
Ex. No 3, page 8.	22 Bought of Wm. Brown for cash						
	75 bbls.	Flour	6.00	450			
	20 "	Beef	14.00	280			
	25 "	Pork	11.00	275		1005	

January 23, 188-

Ex. No. 6, page 8.	Sold Ford & Co. on account						
	30 bbls. Flour		6.75	202	50		
	15 " Salt		2.55	42	75	245	25
Ex. No. 18, page 10.	24 Bought safe for office for cash					250	
Ex. No. 9, page 9.	24 Received cash of Moore & Collins on account					150	
Ex. No. 8, page 9.	25 Paid J. S. Baker cash on acct					100	
See Prin. 39, page 6, 48, page 6.	25 Sold Mitchell Bros for cash						
	10 bbls Beef		16.00	160			
	10 " Salt		2.90	29			
	5 " Pork		14.00	70		259	
See Prin. 47, page 6, 24, page 6.	26 Bot. of Wells, Johnson & Co. on acct						
	35 bbls Lard	6250 lbs	11½ ¢			718	75
See Prin. 54, page 7, 40, page 6	27 Bought two tons of Coal for office use for cash					10	30
See Prin. 39, page 6, 24, page 6.	27 Recd cash of Ford & Co. on acct					250	
See Prin. 47, page 6, 40, page 6.	29 Bought of E. L. Gould for cash						
	40 bbls Flour		6.10	244			
	25 " Beef		13.75	343	75	587	75
See Prin. 23, page 6 48, page 6.	30 Sold Moore & Collins on acct						
	5 bbls Lard	1250 lbs	13 ¢	162	50		
	12 " Beef		16.25	195			
	7 " Salt		2.90	20	30		
	15 " Flour		7.00	105		482	80

DIRECTIONS FOR JOURNALIZING.

Having completed the work of copying the foregoing transactions into your Day Book, you may now journalize them. As explained in 9 and 10, on page 5, journalizing is deciding upon the proper debits and credits of the business transactions recorded in the Day Book, and arranging them in the Journal in a form convenient for transferring (posting) to the Ledger. In journalizing, therefore, you will need your Day Book and Journal before you.

The Examples commencing on page 8 are designed to assist you in the work of journalizing. To illustrate: Read the first transaction in your Day Book; then turn to page 8 and compare it with the Day Book Record of Example No. 1. As you will see, they read substantially alike, and precisely the same principles are involved in each. If, therefore, Example No. 1 be journalized Cash, Dr. 5000 / To J. T. Smith, Cr. 5000 (see journal entry for Example No. 1, page 8), it follows that the first transaction in your Day Book should be journalized Cash, Dr 4000 / To Student, Cr. 4000

Turn to your Journal, therefore, and make the journal entry as shown in the engraved form below. You will observe that the debits are entered on the left side and the credits on the right side of the dividing line. The abbreviations Dr. and Cr. are omitted from the Journal. The sign "To" indicates that the item before which it is placed is a credit. After you have made the entry in your Journal, turn at once to your *Day Book*, and, in the column at the left, check the transaction thus √, to prevent omissions.

Next proceed to journalize the second transaction in your Day Book. By reference to page 13 of the text book, you will see that the small reference figures at the left of this transaction indicate that you are to consult Example No. 2, on page 8, for assistance in making the journal entry. Again, the reference figures for transaction of January 2, page 13, refer you to Example No. 3, page 8; for transaction of January 4, to Example No. 5, and so on.

By referring in this manner to an example *containing the same conditions* as the transaction you are journalizing, you can readily determine the proper debits and credits for all of the transactions in January. In consulting these examples for assistance in making the journal entries, you should at the same time study the rules and explanations given under them, that you may, as soon as possible, become familiar with the principles of debit and credit.

After journalizing all of the transactions for January, present your Journal to the teacher for approval.

January 1, 188-

	Cash		4000			
		To Student			4000	
		1				
	Student		300			
		To J. S. Baker			300	
		2				
	Mdse		650			
		To Cash			650	
		3				
✓	Mdse		750			
✓		To H. K. Stevens			750	
		4				
✓	Cash		187	50		
✓		To Mdse			187	50

DIRECTIONS FOR POSTING.

After you have journalized all of the transactions for January, and your Journal has been approved by the teacher, your next work will be to post. Posting, as explained in 14 to 20, on page 5, is transferring the debits and credits from the Journal to the Ledger, placing those of the same name under one heading, for the purpose of exhibiting the final results of the business. The simple process of posting is not difficult; it is purely mechanical, but it requires constant watchfulness and care to perform the work without making errors.

A few Ledger accounts are shown on page 19, to give you an idea of the form for opening accounts in your Ledger; and you will find *explicit* instructions for posting given below, under "Guide for posting the Journal entries for January."

You are to follow those instructions to the very letter, performing the work step by step as directed. To illustrate: In the instructions for posting the first journal entry (Jan. 1), you are told to "write your own name at the top of page 1 in your Ledger." Before reading the instructions further, you should turn to your Ledger and perform the work exactly as directed; then turn again to the instructions and see what the next step is, and take that, and so on until you have posted the entire entry.

Then take the instructions for the second entry in your Journal, and proceed in the same manner as with the first entry, performing the work precisely as indicated.

After you have posted a few of the journal entries by the aid of the instructions, lay aside your text book and proceed without it if possible.

You may now place your Journal and Ledger before you, and commence posting in accordance with the following

GUIDE FOR POSTING THE JOURNAL ENTRIES FOR JANUARY.

JANUARY 1. (See this Entry in your Journal.)

First, write your name at the top of page 1 in your Ledger, on the *upper line*, in a bold, plain hand. (See form of Ledger on page 19.) Next, on the *right hand* side of the heavy line in the center—Cr. side—enter, in the date column, the date, "Jan. 1." (The explanation column will be left blank for the present.) Next, in the journal page column, enter the page of your Journal, "1." Next, in the amount column, enter the amount, "4000." Next turn to your Journal, and place a check mark, thus "√," opposite the student's name, to indicate that the item has been posted. (See Journal form on page 16.) *Before reading any further,* perform the above work *precisely* as instructed. Next write "Cash," in a bold, plain hand, at the *top of page 2* in your Ledger. Next, on the *left hand* side of the heavy line in the center—that is, on the Dr. side—enter in the date column, the date, "Jan. 1." Next, in the Journal page column, enter the page of your Journal, "1." Next, in the amount column, enter the amount, "4000." Next turn to your Journal, and place a check mark, thus "√," opposite Cash, to indicate that this item has been posted.

JANUARY 1, SECOND ENTRY. (See this Entry in your Journal.)

Turn to Student's account, on page 1 in your Ledger, and on the *left hand* side—that is the Dr. side of his account—enter, in the date column, the date, "Jan. 1." Next, in the journal page column, enter the page of your Journal, "1." Next, in the amount column, enter the amount, "300." Next turn to your Journal and check the item thus "√." Next write "J. S. Baker's" name at the *top of page 3* in your Ledger. Next, on the *right hand* side—that is the Cr. side of his account—enter, in the date column, the date, "Jan. 1." Next enter in the journal page column the page of your Journal, "1." Next, in the amount column, enter the amount, "300." Next turn to your Journal and check the item thus "√."

JANUARY 2. (See this Entry in your Journal.)

Open an account with "MERCHANDISE" at the *top of page 4* in your Ledger; then, on the *left hand* side—that is the Dr. side—enter, in the date column, the date, "Jan. 2"; next enter the page of your Journal, "1"; next enter the amount, "650"; next turn to your Journal and check Mdse. thus "√." Next go to Cash account, on *page 2* in your Ledger, and enter, on the Cr. side—that is the *right hand* side—the date, "Jan. 2"; next enter the journal page, "1"; next enter the amount, "650"; next turn to your Journal and check thus "√."

JANUARY 3. (See this Entry in your Journal.)

Turn to Merchandise account, on page 4 in your Ledger, and enter, on the Dr. side—*left hand* side—in the date column, the date, "3," the ditto marks—thus "—being placed under Jan. to save repetition; next enter the journal page, "1"; next enter the amount, "750"; next check the item in the Journal thus, "√." Next open an account with H. W. Stevens, at the top of page 5 in your Ledger, and enter, on the *Cr. side* of his account, the date, "Jan. 3"; the journal page, "1"; the amount, "750"; then turn to the Journal and check as before instructed.

JANUARY 4. (See the Journal Entry.)

Turn to Cash account, on page 2 in your Ledger, and enter, on the Dr. side—*left hand* side—of the account, the date, "4," placing ditto marks under the month; next enter the journal page, "1"; next enter the amount, "187.50"; next turn to your Journal and check. Next turn to Merchandise account, on page 4, and enter, on the Cr. side, the date, "Jan. 4"; next the journal page, "1"; next the amount, "187.50"; next turn to your Journal and check.

JANUARY 5. (See the Journal Entry.)

Open an account with "Ford & Co." in the middle of page 5 in your Ledger, and enter, on the Dr. side of the account, the date, "Jan. 5"; next enter the journal page, "1"; next enter the amount, "625.00"; next turn to your Journal and check. Next turn to Mdse. account, on page 4. and enter, on the Cr. side, the date, "5"; next the journal page, "1"; next the amount, "625.00."

JANUARY 6. (See the Journal Entry.)

Open an Expense account at the top of page 6. Enter, on the Dr. side, the date, "Jan. 6"; next the journal page, "1"; next the amount, "25"; next check in the Journal. Next turn to Cash account, on page 2, and enter, on the Cr. side, the date, "6"; the journal page, "1"; the amount, "25"; then check in the journal.

JANUARY 8. (See the Journal Entry.)

Turn to H. W. Stevens' account, on page 5, and enter, on Dr. side, the date, "Jan. 8"; journal page, "1"; amount, "250"; then check in the Journal. Next turn to Cash account, on page 2, and enter, on the Cr. side, the date, the journal page, the amount; then check in the Journal.

JANUARY 9.

On Dr. side of Cash account enter the date, the journal page, the amount; then check in the Journal. Next, on the Cr. side of Ford & Co.'s account, enter the date, journal page, amount.

JANUARY 10.

Post on the Dr. side of Cash account, as instructed heretofore, and check in the Journal; then post on the Cr. side of Mdse. account.

JANUARY 11.

Post on the Dr. side of Stevens account, and on the Cr. side of Cash account, remembering to check in the Journal after each posting.

JANUARY 12.

Post on Dr. side of Mdse. account. Next open an account with James T. Hoag, at the top of page 7, and credit him.

NOTE.—You will observe that, in every journal entry, an equal amount is posted to both sides of the Ledger, thus keeping it constantly in balance. This is the principle upon which Double Entry book-keeping is based and from which it takes its name.

You should now be able to proceed with the posting without further assistance. In case you should be unable to do so, however, for additional practice apply to the teacher for a *separate sheet* of ledger paper, and post the same entries again.

In opening new accounts in your Ledger hereafter, leave one-half of a page space for each, until otherwise instructed.

Student

Dr. Date.	Explanation.	Journal Page.	Amount.	Cr. Date.	Explanation.	Journal Page.	Amount.
188- Jan 1		1	900	188- Jan 1		1	4000

Open this account at top of page 2.

Cash.

188-					188-				
Jan	1		1	4000	Jan	2		1	650
"	4		1	187 50	"	6		1	25

Open this account at top of page 3.

J. S. Baker.

					188-				
					Jan	1		1	900

Open this account at top of page 4.

Merchandise.

188-					188-				
Jan	2		1	650	Jan	4		1	187 50
"	3		1	750	"	5		1	625

TRIAL BALANCE.

[81] A Trial Balance is a test to ascertain whether the debit and credit sides of the Ledger are equal. [82] The Trial Balance does not prove the work absolutely correct, [83] as errors may be made which will not affect the equality of the Ledger, [84] such as posting to the wrong account, errors in journalizing, erroneous computations, etc.

[85] If the footings of the Trial Balance are equal, however, it is generally regarded as evidence that the work upon the Ledger is correct, [86] although the careful book-keeper, in addition to such proof, will usually go over his computations and posting the second time.

You may now proceed to take a Trial Balance for January.

INSTRUCTIONS FOR TAKING JANUARY TRIAL BALANCE.

Commence with the first account in your Ledger, which is Student's, and foot the Dr. side of the account, [87] placing the footing in small lead-pencil figures, [88] close up to the line on which the last item is posted, as illustrated below.

STUDENT.

188 Jan.	1		1	300	188 Jan.	1		1	4000
"	18		2	75					
				375					

The above illustration shows how the Dr. side of Student's account will appear in the Ledger after it has been footed for the trial balance. [89] Do not draw lines under the columns to be added, as the peculiar position of the footing serves to distinguish it from the other items in the account. [90] Make your pencil footings plain and distinct, but *as small as possible.* When there is but one item on either side of an account, no pencil figures are necessary; for example, see credit side of Student's account above. Next write your name on the first line in the trial balance sheet, [91] placing the Dr. footing of your account in the left hand column and the Cr. footing in the right hand column, as illustrated in the trial balance given below.

You will then turn to the next account in your Ledger—Cash. Add both sides of the account, as before instructed, placing the footings in pencil in the position described above, and then transfer them, with the title of the account—Cash—to the next line in the trial balance sheet. Continue in this manner, footing and carrying results to the trial balance, until the footings of all of the accounts in the Ledger have been transferred. [92] When the footings of both sides of an account are equal they should be omitted from the trial balance, as in the case of the account with James T. Hoag. You may rule up Hoag's account in your Ledger at once. (See first ruling of his account, page 39.) [93] If your trial balance is correct, the footings of the sides will be equal, and will correspond in all particulars with the one given below. *Always use red ink in ruling.* Write your own name in place of "Student."

Trial Balance, January 31, 188-

1	Student	375		4000	
2	Cash	6432	75	5040	55
3	J. S. Baker	100		300	
4	Merchandise	5924		3520	80
5	H. W. Stevens	350		975	
5	Ford & Co	870	25	575	
6	Expense	285	30		
7	Moore & Collins	942	80	150	
8	Wells, Johnson & Co			718	75
		5280	00	15280	00

ERRORS IN TRIAL BALANCES.

[94] No rule or set of rules can be given for the *certain* detection of errors in trial balances, save, perhaps, a careful review of the entire work. If only one error has been made, however, the following short tests will frequently disclose it, and they should be first applied, as involving much less labor than going over the entire work.

First.—[95] If the error be exactly $1, $10, $100, $1000, etc., it is very likely in the additions, either of the Ledger accounts or the columns of the trial balance.

Second.—[96] An error may have been made in carrying the footings of the accounts from the Ledger to the trial balance, or [97] an account may have been omitted entirely from the trial balance.

Third.—[98] If an amount has been omitted in posting, the trial balance will be exactly that amount out of balance. [99] Look through the Journal or other books from which you have posted, and see if you can find an item of the same amount as the error, which has been omitted in posting.

Fourth.—[100] If an amount has been posted to the wrong side of the Ledger, the trial balance will be just twice that amount out of balance; [101] therefore look through the Journal for an item of one-half the amount of the error.

Fifth.—[102] If the error be divisible by 9, it is quite likely to have been caused by a transposition of figures; as, $42 posted $24 would make an error of $18, which is divisible by 9; again, $345 posted $453 would make an error of $108, which is divisible by 9, etc.

Sixth.—[103] Should all of the foregoing tests fail to disclose the error, it will be necessary to review the work, [104] from the date of the last trial balance, in the following manner: [105] Examine carefully each journal entry, to be certain that the debits and credits are equal, and [106] then see that these debits and credits have been transferred correctly to the Ledger, [107] placing a check mark in pencil, thus ✓, in the Ledger against each item examined and found to be correctly posted. [108] If, after thus checking the work, you find an amount not checked, you may conclude that the item has been posted twice. [109] Merely examining the posting without checking will not answer the purpose; every item must be checked to locate the error.

NOTE.—Questions upon a few of the leading principles involved in the work of the foregoing set are given below, and you should be prepared to answer them satisfactorily if called upon by the teacher at any time to do so. Before proceeding further, therefore, study carefully the answers to the following

QUESTIONS FOR REVIEW.

Page 5.—[1] What is book-keeping? [2] What is the object of it? [5] What are the principal books employed in Double Entry called? [6] Describe the use of the Day Book. [9] The Journal. [14] The Ledger. [10] What is Journalizing? [20] What is Posting?

Page 6.—[23] When are Persons debited? [24] When are Persons credited? [25] When is Property debited? [26] When is Property credited?

Page 20.—[81] What is a Trial Balance? [82] Why does it not prove the Ledger absolutely correct? [92] When may an account be omitted from the Trial Balance?

NOTE.—After you have become familiar with the principles covered by the above questions, proceed to copy into your Day Book the transactions for February, as given on the following pages. In all computations, if the fraction is five mills or over, add another cent; if less than five mills, drop the fraction. Strive to make the work upon your books show constant progress in penmanship, by imitating as nearly as possible the forms given you to copy.

$ 491.45 ROCHESTER, N. Y., Dec. 26, 188_

Nine days AFTER DATE we PROMISE TO PAY

TO THE ORDER OF James W. Barnes, _____

Four Hundred Ninety-one 45/100 DOLLARS

AT Powers' National Bank _____

VALUE RECEIVED

NO. 29. DUE Jan. 7, 188_ Willis & Johnston

EXAMPLE No. 25.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Paid my note of 12th inst. in favor of French, due to-day, with interest, in Cash,		501 08	Bills Pay., Dr.	500	
			Interest, Dr.	1 08	
Face of note,	500		To Cash, Cr.		501 08
Interest to date, 13 days,	1 08				

Bills Payable is Dr. because our written promise is redeemed (67, page 7). Interest is Dr. because it is allowed to others (75, page 7). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 26.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Rec'd cash of Chas. Hamlin, for his note of 13th inst., due to-day, with interest,		1052 28	Cash, Dr.	1052 28	
			To Bills Rec'v, Cr.		1050
Face of note,	1050		" Interest, Cr.		2 28
Interest to date, 13 days,	2 28				

Cash is Dr. because received (39, page 6). Bill Receivable is Cr. because disposed of (60, page 7). Interest is Cr. because it is allowed to us (76, page 7).

EXAMPLE No. 27.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Prepaid my note of 17th inst., in favor of W. E. Holt,		2000	Bills Pay., Dr.	2000	
			To Discount, Cr.		2 67
Discount off, 8 days,	2 67		" Cash, Cr.		1997 33
Paid balance in Cash,	1997 33				

Bills Payable is Dr. because our written promise has been redeemed (67, page 7). Discount is Cr. because it is allowed to us (76, page 7). Cash is Cr. because paid out (40, page 6).

EXAMPLE No. 28.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
A. D. Larkin prepaid his note of 19th inst.,		500	Discount, Dr.	4 33	
			Cash, Dr.	495 67	
Discount off, 1 mo. 22 days,	4 33		To Bills Rec'v, Cr.		500
Rec'd balance in Cash,	495 67				

Discount is Dr. because it is allowed to others (75, page 7). Cash is Dr. because received (39, page 6). Bills Receivable is Cr. because the written promise to pay of another party is disposed of (60, page 7).

EXAMPLE No. 29.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Paid Clerks' Salaries to date, in Cash,		100	Expense, Dr.	100	
			To Cash, Cr.		100

Expense is Dr. because Salaries is an item of cost in carrying on the business (54, page 7). Cash is Cr. because paid out (40, page 6).

NOTE TO STUDENT.—Having carefully read the preceding pages, you may now begin the work upon your books. First copy into your Day Book the business transactions for January, as given on the following pages. As you are supposed to be the proprietor of the business, you will write your name in the blank lines in the first two transactions on the next page. In copying you may omit from your Day Book the figures *at the left* of the transactions, as they are simply reference figures, to assist in journalizing. The explanations for their use will be given hereafter. You should make your pages as nearly as possible like the following, in substance, penmanship and arrangement. Read foot notes carefully, as all are *important* to an understanding of the work. Should the transactions given on a page in the text book not fill a page in your Day Book, add a sufficient number from the following page to do so, but do not in any case divide a transaction.

January 1, 1[illegible]

Ex. No. 1, p. 8.	✓	Student's name commenced business this day and invested cash			4000
Ex. No. 2, p. 8.	✓	_____ owes J. S. Baker on account, which is to be paid from the business			300
Ex. No. 3, p. 8.	✓	2 Bought of Wm. Brown for cash 100 bbls Flour @ 6.50			650
Ex. No. 3, p. 8.		3 Bought of D. W. Stevens on acct 50 bbls Beef @ 15.			750
Ex. No. 4, p. 8.		4 Sold Henry Jones for cash 25 bbls Flour @ 7.50			187 50
Ex. No. 6, p. 8.		5 Sold Ford & Co. on account 25 bbls Flour @ 8.	200		
		25 " Beef @ 17.	425		625
Ex. No. 7, p. 9.		6 Paid rent of Store in cash			25
Ex. No. 8, p. 9.		8 Paid D. W. Stevens cash to apply on account			250
Ex. No. 9, p. 9.		9 Received cash of Ford & Co. to apply on account			175
Ex. No. 4, p. 8.		10 Sold D. B. Martin for cash 20 bbls Flour @ 7.25	145		
		10 " Beef @ 16 25	162	50	307 50
Ex. No. 8, p. 9.		Paid D. W. Stevens cash on acct			100

January 12, 188-

Ex. No. 5, page 8.	Bought of Jas. T. Hoag on acct.					
	50 bbls. Flour	7.00			350	
Ex. No. 3, page 8.	3 Bought of C. D. Lacey for cash					
	50 bbls. Pork	11.50	575			
	50 " Flour	6.50	325			
	50 " Beef	14.75	737	50	1637	50
Ex. No. 6, page 8.	15 Sold Moore & Collins on acct.					
	20 bbls. Beef	16.00	320			
	10 " Pork	14.00	140		460	
Ex. No. 9, page 9.	16 Recd. cash of Ford & Co. on acct.				150	
Ex. No. 5, page 8.	17 Bought of H. H. Stevens on acct.					
	100 bbls. Salt	2.25			225	
Ex. No. 20, page 11.	18 Student drew cash from the business for private use				75	
Ex. No. 4, page 8.	19 Sold D. V. Bell for cash.					
	25 bbls. Salt	2.75	68	75		
	50 " Flour	7.50	375			
	20 " Pork	13.50	270			
	15 " Beef	16.	240		953	75
Ex. No. 8, page 9.	20 Paid Jas. T. Hoag cash in full of account				350	
Ex. No. 3, page 8.	22 Bought of Wm. Brown for cash.					
	75 bbls. Flour	6.00	450			
	20 " Beef	14.00	280			
	25 " Pork	11.00	275		1005	

January 23, 188-

Ex. No. 6, page 8.	Sold Ford & Co. on account						
	30 bbls. Flour		6.75	202	50		
	15 " Salt		2.75	42	75	245	25
Ex. No. 18, page 10.	24 Bought safe for office for cash					250	
Ex. No. 9, page 9.	24 Received cash of Moore & Collins on account					150	
Ex. No. 8, page 9.	25 Paid J. S. Baker cash on acct					100	
See Prin. 39, page 6. 45, page 6.	25 Sold Mitchell Bros. for cash						
	10 bbls. Beef		16.00	160			
	10 " Salt		2.90	29			
	5 " Pork		14.00	70		259	
See Prin. 47, page 6. 24, page 6.	26 Bot. of Wells, Johnson & Co. on acct						
	35 bbls. Lard	6250 lbs	11½ ¢			718	75
See Prin. 54, page 7. 40, page 6.	27 Bought two tons of Coal for office use for cash					10	30
See Prin. 39, page 6. 24, page 6.	27 Recd cash of Ford & Co. on acct					250	
See Prin. 47, page 6. 40, page 6.	29 Bought of E. L. Gould for cash						
	40 bbls. Flour		6.10	244			
	25 " Beef		13.75	343	75	587	75
See Prin. 23, page 6. 48, page 6.	30 Sold Moore & Collins on acct						
	5 bbls. Lard	1250 lbs	13 ¢	162	50		
	12 " Beef		16.25	195			
	7 " Salt		2.90	20	30		
	15 " Flour		7.00	105		482	80

DIRECTIONS FOR JOURNALIZING.

Having completed the work of copying the foregoing transactions into your Day Book, you may now journalize them. As explained in 9 and 10, on page 5, journalizing is deciding upon the proper debits and credits of the business transactions recorded in the Day Book, and arranging them in the Journal in a form convenient for transferring (posting) to the Ledger. In journalizing, therefore, you will need your Day Book and Journal before you.

The Examples commencing on page 8 are designed to assist you in the work of journalizing. To illustrate: Read the first transaction in your Day Book; then turn to page 8 and compare it with the Day Book Record of Example No. 1. As you will see, they read substantially alike, and precisely the same principles are involved in each. If, therefore, Example No. 1 be journalized Cash, Dr. 5000 / To J. T. Smith, Cr. 5000 (see journal entry for Example No. 1, page 8), it follows that the first transaction in your Day Book should be journalized Cash, Dr 4000 / To Student, Cr. 4000

Turn to your Journal, therefore, and make the journal entry as shown in the engraved form below. You will observe that the debits are entered on the left side and the credits on the right side of the dividing line. The abbreviations Dr. and Cr. are omitted from the Journal. The sign "To" indicates that the item before which it is placed is a credit. After you have made the entry in your Journal, turn at once to your *Day Book*, and, in the column at the left, check the transaction thus √, to prevent omissions.

Next proceed to journalize the second transaction in your Day Book. By reference to page 13 of the text book, you will see that the small reference figures at the left of this transaction indicate that you are to consult Example No. 2, on page 8, for assistance in making the journal entry. Again, the reference figures for transaction of January 2, page 13, refer you to Example No. 3, page 8; for transaction of January 4, to Example No. 5, and so on.

By referring in this manner to an example *containing the same conditions* as the transaction you are journalizing, you can readily determine the proper debits and credits for all of the transactions in January. In consulting these examples for assistance in making the journal entries, you should at the same time study the rules and explanations given under them, that you may, as soon as possible, become familiar with the principles of debit and credit.

After journalizing all of the transactions for January, present your Journal to the teacher for approval.

January 1, 188-

	Cash		4000			
		To Student			4000	
		1				
	Student		300			
		To J. S. Baker			300	
		2				
	Mdse		650			
		To Cash			650	
		3				
✓	Mdse		750			
✓		To H. W. Stevens			750	
		4				
✓	Cash		187	50		
✓		To Mdse			187	50

DIRECTIONS FOR POSTING.

After you have journalized all of the transactions for January, and your Journal has been approved by the teacher, your next work will be to post. Posting, as explained in 14 to 20, on page 5, is transferring the debits and credits from the Journal to the Ledger, placing those of the same name under one heading, for the purpose of exhibiting the final results of the business. The simple process of posting is not difficult; it is purely mechanical, but it requires constant watchfulness and care to perform the work without making errors.

A few Ledger accounts are shown on page 19, to give you an idea of the form for opening accounts in your Ledger; and you will find *explicit* instructions for posting given below, under "Guide for posting the Journal entries for January."

You are to follow those instructions to the very letter, performing the work step by step as directed. To illustrate: In the instructions for posting the first journal entry (Jan. 1), you are told to "write your own name at the top of page 1 in your Ledger." Before reading the instructions further, you should turn to your Ledger and perform the work exactly as directed; then turn again to the instructions and see what the next step is, and take that, and so on until you have posted the entire entry.

Then take the instructions for the second entry in your Journal, and proceed in the same manner as with the first entry, performing the work precisely as indicated.

After you have posted a few of the journal entries by the aid of the instructions, lay aside your text book and proceed without it if possible.

You may now place your Journal and Ledger before you, and commence posting in accordance with the following

GUIDE FOR POSTING THE JOURNAL ENTRIES FOR JANUARY.

JANUARY 1. (See this Entry in your Journal.)

First, write your name at the top of page 1 in your Ledger, on the *upper line*, in a bold, plain hand. (See form of Ledger on page 19.) Next, on the *right hand* side of the heavy line in the center—Cr. side—enter, in the date column, the date, "Jan. 1." (The explanation column will be left blank for the present.) Next, in the journal page column, enter the page of your Journal, "1." Next, in the amount column, enter the amount, "4000." Next turn to your Journal, and place a check mark, thus "√," opposite the student's name, to indicate that the item has been posted. (See Journal form on page 16.) *Before reading any further*, perform the above work *precisely* as instructed. Next write "Cash," in a bold, plain hand, at the *top of page 2* in your Ledger. Next, on the *left hand* side of the heavy line in the center—that is, on the Dr. side—enter in the date column, the date, "Jan. 1." Next, in the Journal page column, enter the page of your Journal, "1." Next, in the amount column, enter the amount, "4000." Next turn to your Journal, and place a check mark, thus "√," opposite Cash, to indicate that this item has been posted.

JANUARY 1, SECOND ENTRY. (See this Entry in your Journal.)

Turn to Student's account, on page 1 in your Ledger, and on the *left hand* side—that is the Dr. side of his account—enter, in the date column, the date, "Jan. 1." Next, in the journal page column, enter the page of your Journal, "1." Next, in the amount column, enter the amount, "300." Next turn to your Journal and check the item thus "√." Next write "J. S. Baker's" name at the *top of page 3* in your Ledger. Next, on the *right hand* side—that is the Cr. side of his account—enter, in the date column, the date, "Jan. 1." Next enter in the journal page column the page of your Journal, "1." Next, in the amount column, enter the amount, "300." Next turn to your Journal and check the item thus "√."

JANUARY 2. (See this Entry in your Journal.)

Open an account with "MERCHANDISE" at the *top of page 4* in your Ledger; then, on the *left hand* side—that is the Dr. side—enter, in the date column, the date, "Jan. 2"; next enter the page of your Journal, "1"; next enter the amount, "650"; next turn to your Journal and check Mdse. thus "√." Next go to Cash account, on *page 2* in your Ledger, and enter, on the Cr. side—that is the *right hand* side—the date, "Jan. 2"; next enter the journal page, "1"; next enter the amount, "650"; next turn to your Journal and check thus "√."

JANUARY 3. (See this Entry in your Journal.)

Turn to Merchandise account, on page 4 in your Ledger, and enter, on the Dr. side—*left hand* side—in the date column, the date, "3," the ditto marks—thus "—being placed under Jan. to save repetition; next enter the journal page, "1"; next enter the amount, "750"; next check the item in the Journal thus, "√." Next open an account with H. W. Stevens, at the top of page 5 in your Ledger, and enter, on the *Cr. side* of his account, the date, "Jan. 3"; the journal page, "1"; the amount, "750"; then turn to the Journal and check as before instructed.

JANUARY 4. (See the Journal Entry.)

Turn to Cash account, on page 2 in your Ledger, and enter, on the Dr. side—*left hand* side—of the account, the date, "4," placing ditto marks under the month; next enter the journal page, "1"; next enter the amount, "187.50"; next turn to your Journal and check. Next turn to Merchandise account, on page 4, and enter, on the Cr. side, the date, "Jan. 4"; next the journal page, "1"; next the amount, "187.50"; next turn to your Journal and check.

JANUARY 5. (See the Journal Entry.)

Open an account with "Ford & Co." in the middle of page 5 in your Ledger, and enter, on the Dr. side of the account, the date, "Jan. 5"; next enter the journal page, "1"; next enter the amount, "625.00"; next turn to your Journal and check. Next turn to Mdse. account, on page 4, and enter, on the Cr. side, the date, "5"; next the journal page, "1"; next the amount, "625.00."

JANUARY 6. (See the Journal Entry.)

Open an Expense account at the top of page 6. Enter, on the Dr. side, the date, "Jan. 6"; next the journal page, "1"; next the amount, "25"; next check in the Journal. Next turn to Cash account, on page 2, and enter, on the Cr. side, the date, "6"; the journal page, "1"; the amount, "25"; then check in the journal.

JANUARY 8. (See the Journal Entry.)

Turn to H. W. Stevens' account, on page 5, and enter, on Dr. side, the date, "Jan. 8"; journal page, "1"; amount, "250"; then check in the Journal. Next turn to Cash account, on page 2, and enter, on the Cr. side, the date, the journal page, the amount; then check in the Journal.

JANUARY 9.

On Dr. side of Cash account enter the date, the journal page, the amount; then check in the Journal. Next, on the Cr. side of Ford & Co.'s account, enter the date, journal page, amount.

JANUARY 10.

Post on the Dr. side of Cash account, as instructed heretofore, and check in the Journal; then post on the Cr. side of Mdse. account.

JANUARY 11.

Post on the Dr. side of Stevens account, and on the Cr. side of Cash account, remembering to check in the Journal after each posting.

JANUARY 12.

Post on Dr. side of Mdse. account. Next open an account with James T. Hoag, at the top of page 7, and credit him.

NOTE.—You will observe that, in every journal entry, an equal amount is posted to both sides of the Ledger, thus keeping it constantly in balance. This is the principle upon which Double Entry book-keeping is based and from which it takes its name.

You should now be able to proceed with the posting without further assistance. In case you should be unable to do so, however, for additional practice apply to the teacher for a *separate sheet* of ledger paper, and post the same entries again.

In opening new accounts in your Ledger hereafter, leave one-half of a page space for each, until otherwise instructed.

Dr. **Student** Cr.

Date.	Explanation.	Journal Page.	Amount.	Date.	Explanation.	Journal Page.	Amount.
188- Jan 1		1	300	188- Jan 1		1	4000

Open this account at top of page 2.

Cash.

188- Jan	1		1	4000		188- Jan	2	1	650
"	4		1	187	50	"	6	1	25

Open this account at top of page 3.

J. S. Baker.

						188- Jan	1	1	300

Open this account at top of page 4.

Merchandise.

188- Jan	2		1	650		188- Jan	4	1	187 50
"	3		1	750		"	5	1	625

TRIAL BALANCE.

[81] A Trial Balance is a test to ascertain whether the debit and credit sides of the Ledger are equal. [82] The Trial Balance does not prove the work absolutely correct, [83] as errors may be made which will not affect the equality of the Ledger, [84] such as posting to the wrong account, errors in journalizing, erroneous computations, etc.

[85] If the footings of the Trial Balance are equal, however, it is generally regarded as evidence that the work upon the Ledger is correct, [86] although the careful book-keeper, in addition to such proof, will usually go over his computations and posting the second time.

You may now proceed to take a Trial Balance for January.

INSTRUCTIONS FOR TAKING JANUARY TRIAL BALANCE.

Commence with the first account in your Ledger, which is Student's, and foot the Dr. side of the account, [87] placing the footing in small lead-pencil figures, [88] close up to the line on which the last item is posted, as illustrated below.

STUDENT.

188						188					
Jan.	1			1	300	Jan.	1			1	4000
"	18			2	75						
					375						

The above illustration shows how the Dr. side of Student's account will appear in the Ledger after it has been footed for the trial balance. [89] Do not draw lines under the columns to be added, as the peculiar position of the footing serves to distinguish it from the other items in the account. [90] Make your pencil footings plain and distinct, but *as small as possible.* When there is but one item on either side of an account, no pencil figures are necessary; for example, see credit side of Student's account above. Next write your name on the first line in the trial balance sheet, [91] placing the Dr. footing of your account in the left hand column and the Cr. footing in the right hand column, as illustrated in the trial balance given below.

You will then turn to the next account in your Ledger—Cash. Add both sides of the account, as before instructed, placing the footings in pencil in the position described above, and then transfer them, with the title of the account—Cash—to the next line in the trial balance sheet. Continue in this manner, footing and carrying results to the trial balance, until the footings of all of the accounts in the Ledger have been transferred. [92] When the footings of both sides of an account are equal they should be omitted from the trial balance, as in the case of the account with James T. Hoag. You may rule up Hoag's account in your Ledger at once. (See first ruling of his account, page 39.) [93] If your trial balance is correct, the footings of the sides will be equal, and will correspond in all particulars with the one given below. *Always use red ink in ruling.* Write your own name in place of "Student."

Trial Balance, January 31, 188-

1	Student			375		4000	
2	Cash			6432	75	5040	55
3	J. S. Baker			100		300	
4	Merchandise			5924		3520	80
5	H. P. Stevens			350		975	
6	Ford & Co.			870	25	575	
7	Expense			285	30		
8	Moore & Collins			942	50	150	
9	Wells, Johnson & Co.					715	75
				15328	80	15328	80

ERRORS IN TRIAL BALANCES.

[96] No rule or set of rules can be given for the *certain* detection of errors in trial balances, save, perhaps, a careful review of the entire work. If only one error has been made, however, the following short tests will frequently disclose it, and they should be first applied, as involving much less labor than going over the entire work.

First.—[95] If the error be exactly $1, $10, $100, $1000, etc., it is very likely in the additions, either of the Ledger accounts or the columns of the trial balance.

Second.—[96] An error may have been made in carrying the footings of the accounts from the Ledger to the trial balance, or [97] an account may have been omitted entirely from the trial balance.

Third.—[98] If an amount has been omitted in posting, the trial balance will be exactly that amount out of balance. [99] Look through the Journal or other books from which you have posted, and see if you can find an item of the same amount as the error, which has been omitted in posting.

Fourth.—[100] If an amount has been posted to the wrong side of the Ledger, the trial balance will be just twice that amount out of balance; [101] therefore look through the Journal for an item of one-half the amount of the error.

Fifth.—[102] If the error be divisible by 9, it is quite likely to have been caused by a transposition of figures; as, $42 posted $24 would make an error of $18, which is divisible by 9; again, $345 posted $453 would make an error of $108, which is divisible by 9, etc.

Sixth.—[103] Should all of the foregoing tests fail to disclose the error, it will be necessary to review the work, [104] from the date of the last trial balance, in the following manner: [105] Examine carefully each journal entry, to be certain that the debits and credits are equal, and [106] then see that these debits and credits have been transferred correctly to the Ledger, [107] placing a check mark in pencil, thus √, in the Ledger against each item examined and found to be correctly posted. [108] If, after thus checking the work, you find an amount not checked, you may conclude that the item has been posted twice. [109] Merely examining the posting without checking will not answer the purpose; every item must be checked to locate the error.

NOTE.—Questions upon a few of the leading principles involved in the work of the foregoing set are given below, and you should be prepared to answer them satisfactorily if called upon by the teacher at any time to do so. Before proceeding further, therefore, study carefully the answers to the following

QUESTIONS FOR REVIEW.

Page 5.—[1] What is book-keeping? [2] What is the object of it? [5] What are the principal books employed in Double Entry called? [6] Describe the use of the Day Book. [9] The Journal. [14] The Ledger. [10] What is Journalizing? [20] What is Posting?

Page 6.—[23] When are Persons debited? [24] When are Persons credited? [25] When is Property debited? [26] When is Property credited?

Page 20.—[81] What is a Trial Balance? [82] Why does it not prove the Ledger absolutely correct? [92] When may an account be omitted from the Trial Balance?

NOTE.—After you have become familiar with the principles covered by the above questions, proceed to copy into your Day Book the transactions for February, as given on the following pages. In all computations, if the fraction is five mills or over, add another cent; if less than five mills, drop the fraction. Strive to make the work upon your books show constant progress in penmanship, by imitating as nearly as possible the forms given you to copy.

$ 491.45 ROCHESTER, N.Y., Dec 26, 188-

Nine days AFTER DATE we PROMISE TO PAY

TO THE ORDER OF James W. Barnes, _____

Four Hundred Ninety-one 45/100 DOLLARS

AT Powers' National Bank _____

VALUE RECEIVED

NO. 29. DUE Jan. 7, 188- Willis & Johnston

February 1, 185-

See Prin. 29, p. 6. 46, p. 6.	Paid Wells, Johnson & Co. cash to apply on acct.				200	
See Prin. 54, p. 7. 46, p. 6.	Paid Jan. Gas bill in cash			5		
	" Bookkeeper's salary			75	80	
Ex. No. 10, p. 9.	2 Bought of P. C. Cooper 50 bbls. Flour	7.00			350	
	Gave my note at 6 days in pmt.					
29, p. 6. 46, p. 6.	3 Sold Norton & Co. for cash 25 bbls. Pork	14.25	356	25		
	15 " Beef	16.75	251	25	607	50
Ex. No. 11, p. 9.	5 Received of Moore & Collins their note at eight days on acct.				300	
47, p. 6. 24, p. 6.	6 Bought of David Bailey on acct. 20 bbls A. C. Sugar 5000 lbs	11¼ ¢			562	50
Ex. No. 14, p. 10.	7 Sold Jas. T. Hoag 5 bbls A. C. Sugar 1250 lbs	12½ ¢			156	25
	Rec'd in payment cash			100		
	Balance on account			56	25	
29, p. 6. 24, p. 6.	8 Rec'd of Ford & Co. cash on acct.				50	
Ex. No 13, p. 10.	9 Sold F. W. Warren 20 bbls. Salt	2.05				
	5 " Lard 1250 lbs	13½ ¢			225	75
	Rec'd pmt by note 5 ds. with int.					
Ex. No. 23, p. 11.	11 Paid note of 2nd inst. in cash				350	

All amounts blank are to be filled in by the student.

February 12, 18--

Ex. No. 12, page 9.	Gave David Bailey my note at ten days with int. on account				400	
Ex. No. 15, page 10.	13 Bought of W. A. Bancroft 10 ch. Y. H. Tea 600 lbs. 70c					
	Paid him cash		120			
	Balance on account		300			
For the simpler transactions no references will hereafter be given.	14 Sold Wardwell & Vance for cash 20 bbls Beef 16.50					
	14 Paid J. S. Baker cash on acct				50	
Ex. No. 19, page 11.	15 Sold Ford & Co. 5 ch Y. H. Tea 500 lbs 65c					
	10 bbls A. C. Sugar 2500 lbs 12½c					
	Recd in payment cash		111	25		
	Their note at 3 mo. for balance		450			
Ex. No. 21, page 11.	16 Recd of Moore & Collins cash for note of 5th inst. due to-day				300	
Ex. No. 20, page 11.	17 Student drew cash, private use				100	
Ex. No. 26, page 12.	17 Recd of F. W. Pearson cash for note of 6th due to-day with int.				226	05
	Face of note		225	75		
	Interest to date 8 days			30		
Ex. No. 17, page 10.	18 Bought of Wilson & Son 20 bbls Beef 13.75					
	Paid them cash		75			
	My note at 90 days for balance		200			

February 19, 188-

	Sold Moore & Collins on acct.					
	50 bbls. Flour @ 6.75					
	20					
	Paid N. W. Stevens cash on acct.				225	
Ex. No. 21, page 11.	21					
	Rec'd of Ford & Co. to bal. acct. cash		45	25		
	Their note at 20 days		200		245	25
	21					
	Bot. of Barstow & Hodges for cash					
	300 lbs. Dairy Cheese @ 13½ ¢					
	22					
Ex. No. 28, page 12.	Ford & Co. prepaid note of 15 th.				450	
	Discount 2 mo. 26 da.		6	42		
	Rec'd balance in cash		443	58		
	22					
Ex. No. 7, page 9.	Paid cash for set of Office Books bought of Otis & Co. Jan. 1				50	
	23					
Ex. No. 10, page 9.	Bot. of L. J. Peck on note at 20 da.					
	25 bbls. Pork @ 11.75					
	10 " Beef @ 14				433	75
	24					
	Rec'd of Moore & Co. cash on acct.				200	
	25					
Ex. No. 25, page 12.	Paid my note of 12 th inst. due to-day with int. in cash				400	85
	Face of note		400			
	Interest to date 13 days			85		
	25					
Ex. No. 14, page 10.	Sold Sickles, Stover & Jackson					
	50 bbls. Flour @ 6.45					
	Received cash.		100			
	Balance on account		245			

WARREN B. BROWN

February 26, 188-

Ex. No. 12, page 9.	Gave H. W. Stevens my note at nine days on account			200	
	27				
	Sold Wardwell & Vance for cash				
	200 lbs. Dairy Cheese .5¢				
	23 bbls. Salt 2.75				
	28				
Ex. No. 27, page 12.	Prepaid my note of 18th inst.			200	
	Discount 83 days	2	73		
	Paid balance in cash	197	27		
	28				
Ex. No. 7, page 9.	Paid rent of store in cash	25			
	Paid Book-keeper's salary	75		100	

NOTE.—After you have completed copying the foregoing transactions into your Day Book, before proceeding to journalize, draw up on foolscap paper all of the notes mentioned in the transactions for the month. (See form of note on page 21.)

Interest and Discount, in the first fifty-four pages of this work, are computed at 6 per cent., on a basis of 365 days, and in the remainder of the book on a basis of 360 days for a year. See also No. 1, at bottom of page 46, and note No. 1, bottom of page 51.

After writing the notes called for above, proceed to journalize the transactions for February as you did those of January, referring when necessary to the principles and examples indicated by the figures at the left of the transactions to assist you in the work. As before stated, you should, when referring to the rules and explanations, study them carefully, that you may, as soon as possible, journalize independently, by becoming familiar with the principles of debit and credit. No reference figures are given for a few of the simpler transactions in February, it being presumed that you are sufficiently acquainted with the principles to enable you to journalize them without such assistance.

When you have completed the journalizing for February, present your journal, together with the forms of notes called for above, to the teacher for approval. You will then be prepared to begin

POSTING FEBRUARY.

As the business for February is a continuation of that of January, it will be posted under the same ledger headings, new accounts being opened, of course, as they may be required. Since full instructions for posting were given in January, you will probably not require any further assistance, as the work of posting is always substantially the same.

Should you need further aid, however, in the work, instructions for posting a few of the first journal entries in February are given below.

GUIDE FOR POSTING FEBRUARY.

FEBRUARY 1 (See this Entry in your Journal.)

Turn to Wells, Johnson & Co.'s account, on page 8 in your Ledger, and enter, on the Dr. side of their account, the date, "Feb. 1"; the page of your Journal, "3"; the amount, "200"; then turn to your Journal and check this item.

Next turn to Cash account, on page 2, and enter, on the Cr. side, the date, "Feb. 1"; the journal page, "3"; the amount. "200"; then turn to your Journal and check.

FEBRUARY 1. (Second Entry.)

Turn to Expense account, on page 6, and enter, on the Dr. side, the date, journal page and amount; then check in the Journal. Next turn to Cash account, on page 2, and enter, on the Cr. side, the date, journal page and amount; then check in the Journal.

FEBRUARY 2.

Turn to Mdse. account, on page 4, and post on the Dr. side. Next open an account with Bills Payable at the top of page 9 in your Ledger. (Bills Payable will require one page space.) Post, on the Cr. side, the date, journal page and amount. Remember to check every item in the Journal as soon as posted.

FEBRUARY 3.

Post on the Dr. side of Cash account, and on the Cr. side of Mdse. account.

FEBRUARY 5.

Open an account with Bills Receivable at the top of page 10 in your Ledger. (Bills Receivable will require one page space.) Post, on the Dr. side, the date, journal page and amount. Turn to Moore & Collins' account, and credit them with same amount.

FEBRUARY 6.

Post on Dr. side of Mdse. account. Next open an account with David Bailey at the top of page 11, and credit him with same amount.

FEBRUARY 7.

Post, on the Dr. side of Cash account, "100"; on the Dr. side of Jas. T. Hoag's account, "56.25"; on the Cr. side of Mdse. account, "156.25."

NOTE.—Continue in this manner until you have posted the entire month of February. In opening new accounts hereafter in this month, give each account one-half a page space, excepting Interest and Discount, which will require one page each.

After you have completed the posting for the entire month, your next work will be the

TRIAL BALANCE FOR FEBRUARY.

Proceed to take a Trial Balance for February, in accordance with the instructions for the January Trial Balance, given on page 20. In footing the accounts for February, add in the January footing also.

Remember that the footings are to be in pencil. Make small, plain figures, and place them close up to the line on which the last item in the account is posted, as instructed in 88, page 20.

Ford & Co.'s account balances; it is therefore to be ruled up (see form of ruling on pages 38 and 39), and omitted from your Trial Balance.

When all the accounts in your Ledger have been footed and transferred to the Trial Balance, it should agree in all respects with the Trial Balance given below.

NOTE No. 2.—If your trial balance does not prove, turn to page 21, and apply the tests for finding errors *in the exact order given*. If, after checking over the entire posting precisely as instructed in Rule 6, you do not find the error, hand your trial balance and books to the teacher, who will suggest further steps to be taken.

Trial Balance, February 28, 188-

1	Student	475		400	
2	Cash	703	63	702	93
3	J. S. Baker	151		300	
4	Merchandise	800	50	617	30
5	N. W. Stevens	775		975	
6	Expense	515	30		
	Jas. T. Hoag	56	25		
	Moore & Collins	1280	30	650	
	Wells, J. & Co.	200		718	75
	Bills Payable	950		1583	75
	Bills Rec.	1175	75	975	75
	David Bailey	400		562	50
	W. A. Bancroft			300	
	Interest		85		30
	Discount	6	42	2	73
	Sickles S. & L.	24			
		23276	00	23276	00

NOTE.—Questions upon some of the principles involved in the preceding set are given below, and you should be prepared to answer them if called upon to do so. Before proceeding further, therefore, study carefully the answers to the following.

QUESTIONS FOR REVIEW.

Page 7.—[66] When are Bills Payable credited? [67] When debited? [59] When are Bills Receivable debited? [60] When credited? [75] When are Interest, Discount, etc., debited? [76] When credited? [54] For what is Expense debited? [55] For what credited? [41] What is generally included under the title "Cash"? [49] Under the title "Merchandise"? [56] Under the title "Expense"? [61] Under the title "Bills Receivable"? [69] Under the title "Bills Payable"?

NOTE.—Before proceeding with the month of March, study the following rule and explanations for the Bank account, and also the examples given below illustrating the rule.

BANK.

Dr.	Cr.
[110] Bank is debited when a deposit is made in the bank.	[111] Bank is credited when a check is drawn upon the bank.

[113] The checks drawn by other persons, which come into your possession, should be journalized as Cash. Debit Cash when you receive such checks, and credit Cash when you dispose of them. (See form of check on page 28.)

NOTE.—The following examples will illustrate the rule given above for journalizing the Bank account.

EXAMPLE No. 30.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Opened an account at City Bank, and deposited, Cash,		1500	City Bank, Dr.	1500	
			To Cash, Cr.		1500

EXAMPLE No. 31.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Bo't of W. E. Brown, 25 bbls. Flour, @ 8.00, Paid for same by check on City Bank,		200	Mdse., Dr.	200	
			To City Bank, Cr.		200

EXAMPLE No. 32.

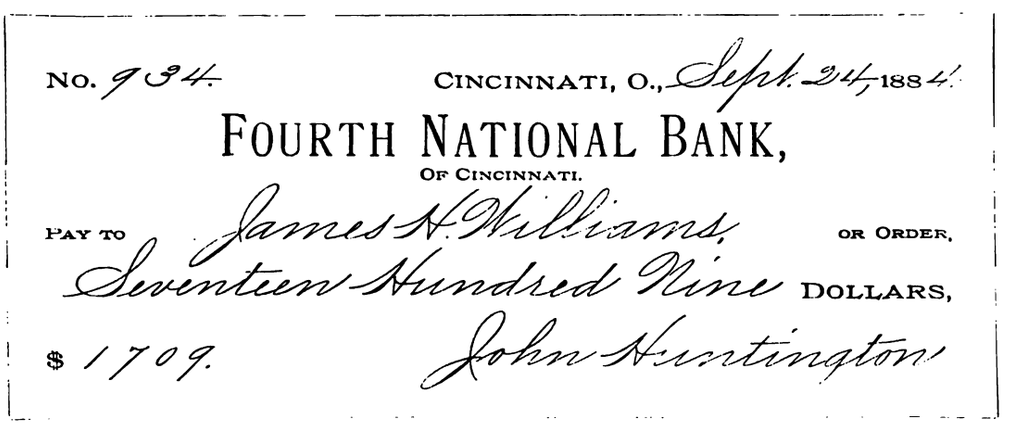
DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Received of H. A. Strong, his check on First National Bank, in settlement of his account,		200	Cash, Dr.	200	
			To H. A. Strong, Cr.		200

EXAMPLE No. 33.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid J. A. Richmond, on account, H. A. Strong's check on First National Bank,		200	J. A. Richmond, Dr.	200	
			To Cash, Cr.		200

NOTE.—The Bank account is sometimes kept in the Check Book instead of in the Ledger, the balance in bank being considered as cash on hand. When this method is adopted, no entry is made in the Cash account at the time of depositing, Cash account being credited when a check is drawn upon the bank. This method of keeping the Bank account will be illustrated in a more advanced part of the work.

You may now proceed to copy the transactions for the month of March into your Day Book. One page only is written up, the remaining transactions being simply in the form of a connected statement or history, from which you are to copy, arranging the work as heretofore. In a few cases references are made to similar transactions, to assist you in the proper arrangement of the work in your Day Book.



No. 994 CINCINNATI, O., Sept. 24, 1884.

FOURTH NATIONAL BANK,
OF CINCINNATI.

PAY TO James N. Williams, OR ORDER,
Seventeen Hundred Nine DOLLARS,
$ 1709. John Huntington

March 1, 1858

	Bought of H. K. Stevens on acct.				
	20. bbls. Pork 11 75				
	2				
	Paid P. A. Bancroft cash on acct.				100
	3				
39, page 6 21, page 6. 48, page 6.	Sold Jas. T. Hoag				
	100 lbs. Dairy Cheese 15½				
	120 " Y. H. Tea 85				
	Recd. in payment cash		50		
	Balance on account		67	50	
	3				
39, page 6. 37, page 6.	Student invested additional cash				1000
	4				
53, page 7. 40, page 6.	Bought of Andrew Stebbins for				
	cash Route 4 Lot 438 Main St.				2000
	5				
59, page 7. 24, page 6.	Recd. of Moore & Collins their				
	note at twelve days with int. on acct.				500
	5				
	Sold Mitchell Bros. for cash				
	5 bbls. Sugar 1250 lbs. 12¾				159 38
	6				
47, page 6 40, page 6.	Bought of Wells, Johnson & Co.				
	50 bbls. Flour 7 00				
	25 " Beef 14 00				
68, page 7. 24, page 6.	Gave in payment cash		150		
	My note at sixty days		300		
	Balance on account				
	7				
	Recd. of Sickles, Stowe & Jackson				
	cash to apply on account				2.25
	7				
	Recd. of Jas. T. Hoag cash on acct.				25

MARCH 7, 188–.

Sold Clark, Sons & Bradley, on %, 3750 lbs. Lard, @ 13⅛c. Arrange this transaction in your Day Book same as Feb. 19, page 24. (See note at bottom of page.)

9.

59, pa. 7. 48, pa. 6. Sold D. B. Martin, 20 bbls. Pork, @ 13.25; 30 bbls. Flour, @ 8.25; 15 bbls. Beef, @ 15.75. Rec'd payment by note at 90 days. (See form of Day Book entry, Feb. 9.)

"

Paid February Gas Bill, in Cash, 4.75. (See form of Day Book entry, Jan. 6.)

10.

67, pa. 7. 40, pa. 6. Paid my note of Feb. 26, favor of H. W. Stevens, in Cash. (For amount of this note, see Day Book, Feb. 26; and for form of Day Book entry, see Feb. 11.)

11.

Rec'd Cash of Clark, Sons & Bradley, on %, 200.00.

12.

67, pa. 7. 76, pa. 7. 40, pa. 6. Prepaid my note of Feb. 23, favor of L. J. Peck, due Mar. 18th, 433.75. Discount to maturity, 6 days, 43c. Balance paid in Cash, 433.32. (See Day Book form, Feb. 28.)

13.

Paid David Bailey, Cash on %, 62.50.

"

47, pa. 6. 68, pa. 7. 24, pa. 6. Bo't of W. A. Bancroft, 600 lbs. Y. H. Tea, @ 65c.; 1600 lbs. Java Coffe, @ 28c. Gave him, in payment, my note at 10 days, with interest, 500.00; balance on %. (Day Book form, Feb. 18.)

14.

Ex. 30, p. 28. Opened an account at College Bank, and deposited Cash, 500.00. (See example No. 30, on page 28, for form of Day Book entry.)

15.

39, pa. 6. 59, pa. 7. 23, pa. 6. 48, pa. 6. Sold Ford & Co., 20 bbls. Flour, @ 8.25; 18 bbls. Beef, @ 15.75; 30 bbls. Pork, @ 13.50. Rec'd in payment, Cash, 353.50; their note at 10 days, with interest, 300.00; balance on %. (See Day Book form, March 6.)

16.

39, pa. 6. 60, pa. 7. Rec'd Cash of Ford & Co., for their note of Feb. 21st, due to-day. (See your Day Book, Feb. 21, for amount of this note.)

17.

Paid J. S. Baker, Cash in full of %. (See his % in your Ledger for amount you owe him.)

18.

Ex. 31, p. 28. Bo't of H. W. Stevens, 100 bbls. Salt, @ 2.15, and paid for same by check on College Bank. (See Example No. 31, on page 28, for form of Day Book entry, and form of check on page 28.)

19.

75, pa. 7. 39, pa. 6. 60, pa. 7. D. B. Martin prepaid his note of 9th inst., due June 10th, 748.75. Discount to maturity, 83 days, 10.22. Rec'd Cash for balance, 738.53. (See Day Book form, Feb. 22.)

"

Sold D. V. Bell, for Cash, 50 bbls. Salt, @ 2.55.

20.

39, pa. 6. 60, pa. 7. 76, pa. 7. Rec'd Cash of Moore & Collins, for their note of 5th inst., due to-day, with interest. Face of note, 500.00; interest to date, 15 days, 1.23. (See Day Book form, Feb. 17.)

21.

Deposited Cash in College Bank, 1200.00.

22.

Sold Wardwell & Vance, for Cash, 10 bbls. Pork, @ 13.75; 10 bbls. Beef, @ 15.50.

NOTE.—Whenever the fraction is five mills or over, add another cent; when less than five mills, drop the fraction.

23.

39, pa. 6. 53, pa. 7. Sold Henry F. Mixer, the House and Lot No. 718 Main St., for Cash, 2300.00.

24.

36, pa. 6. 40, pa. 6. Student (————•————) drew Cash from the business, for private use, 125.00.

25.

Rec'd of Moore & Collins, their note at 20 days, to balance ℅, 130.30. (See Day Book form, Feb. 5th.)

26.

Sold Sickles, Stover & Jackson, 800 lbs. Java Coffee, @ 32c.; 180 lbs. Y. H. Tea, @ 85c. Rec'd in payment, Cash, 209.00; balance on ℅.

67, pa. 7. 75, pa. 7. 111, p. 27. Paid my note of 13th inst., favor Bancroft, due to-day, with interest, by check on College Bank. Face of note, 500.00; interest to date, 13 days, 1.07. (See Day Book form, Feb. 25.)

27.

23, pa. 6. 111, p. 27. Gave W. A. Bancroft a check on College Bank, to apply on ℅, 500.00.

Rec'd Cash of Sickles, Stover & Jackson, on ℅, 50.00.

28.

Rec'd Cash of Ford & Co., for their note of 15th inst., due to-day, with interest. Face of note, 300.00; interest to date, 13 days, 64c.

29.

Paid Book-keeper's salary for the month in Cash, 75.00.

30.

Rec'd Cash of Clark, Sons & Bradley on ℅, 100.00.

31.

Deposited Cash in College Bank, 3500.00.

Paid Rent of Store, by check on College Bank, 25.00.

NOTE.—Copy the Inventories as given below into your Day Book, immediately following the transactions for March. When the inventory includes a long list of goods, a separate book, called the "Inventory Book," may be employed.

RESOURCE INVENTORIES, MARCH 31, 188–.

	MERCHANDISE.				
100 bbls. Flour,	@ 7.00,	700			
50 " Salt,	2.13,	106	50		
600 lbs. Y. H. Tea,	65c.	390			
800 " Java Coffee,	28c.	224		1420	50
EXPENSE.					
Office Safe, valued at		250			
" Books, "		50		300	

[113] An Inventory represents, generally, property on hand, as in the case above. [114] It may, however, represent a debt owing to us or owing by us, such as interest accrued on notes, unpaid rent, etc. [115] An Inventory may, therefore, show either a resource or a liability.

[116] In business, the inventory of goods on hand is usually found by going through the store, weighing, measuring or counting the articles, [117] their value being estimated usually at the price at which they could then be purchased. [118] In some kinds of wholesale business it is advantageous to keep what is called a "Stock Book," from which the quantity of goods on hand can be determined at any time, and with much less labor than by the method described above.

NOTE.—Having completed copying the Day Book for March, journalize the transactions, consulting the examples and rules to which references are made, as you may find it necessary. After you have journalized the entire month, before commencing to post, write up, on foolscap paper, the checks mentioned in the transactions of March 18 and 26 (see form of check on page 28), and present them, with your Journal, to the teacher for approval.

POSTING MARCH.

The business of March being a continuation of that of January and February, it will be posted under the same ledger headings, opening such new accounts as may be required.

Give all new accounts in this month one-half of a page space, excepting College Bank, which will require one page.

BALANCE SHEET.

After you have completed the posting for March, you may next [119] make out a "Balance Sheet," for the purpose of ascertaining the exact condition of the business at the present time.

[120] The Balance Sheet as illustrated on page 34 combines with the Trial Balance a statement, exhibiting in a condensed and convenient form for reference, the Resources, Liabilities, Losses and Gains of the business. In performing this work, it is of the utmost importance to you that you *do not merely copy* the form of Balance Sheet. To do the work understandingly, securing a knowledge of the relations of the various accounts to the business, it is *absolutely essential* that you take each step in the order indicated, and perform the work precisely as directed in the instructions which follow.

GUIDE FOR MAKING BALANCE SHEET FOR MARCH.

If you have not in your Trial Balance book a form ruled to correspond with the one shown on page 34, you will rule a sheet. First take a trial balance of your Ledger, precisely as instructed for January and February; that is, foot the accounts in pencil, and carry the footings to the *first two* columns of your Balance Sheet. Do not extend any amounts to the other columns until you have thus drawn off into your Balance Sheet all of the ledger accounts and footed the columns, to ascertain whether your Ledger is in balance. If your trial balance proves—that is, if the first two columns foot equally—your next step will be to extend the Resources, Liabilities, Losses and Gains, as shown by the various accounts as follows:

CASH.

Commence with Cash, it being the first account in your Balance Sheet, following the Proprietor's (Student's) account. [121] The difference between the Dr. footing, 15871.91—the cash received—and the Cr. footing, 15530.49—the cash paid out—is 341.42, which you are to extend to the Resource column in your Balance Sheet, because it is the cash on hand. (See 32, page 6.)

MERCHANDISE.

[122] First enter, in the Resource column, the Mdse. on hand—that is the Inventory as shown on page 31—1420.50. (See 32, page 6.) Make the entry in *red ink*, to distinguish it from the resources shown by the ledger accounts. Next find the gain on Mdse. account by either of the following methods, and extend into the Gain column of your Balance Sheet 803.62. (See 31, page 6.)

[123] FIRST METHOD.

Sales of Mdse. (Cr. footing),		9,377.62
Inventory (goods on hand, page 31),		1,420.50
		10,798.12
Cost of Mdse. (Dr. footing),		9,994.50
Gives the gain,		803.62

[124] SECOND METHOD.

Sales of Mdse.		9,377.62
Cost of Mdse.	9,994.50	
Inventory "	1,420.50	
		8,574.00
Gives the gain,		803.62

H. W. STEVENS.

[125] The Cr. footing of his account is 1210, and the debit footing 775. You are to extend to the Liability column the difference, 435, because it is the balance you owe him. (See 33, page 6.)

FORD & CO.

[126] The debit footing of their account is 200, and, there being no credit, extend the 200 to the Resource column, it being the amount they owe you. (See 32, page 6.)

EXPENSE.

[127] First enter, in the Resource column, the Expense Inventory, 300, given on page 31. (See 32, page 6.) Enter the item in *red ink*, as explained for Mdse. Inventory. Next enter, in the Loss column, 320.05, the loss on Expense account (see 30, page 6). [128] This you will find by deducting the Expense Inventory, 300, from the Dr. footing of Expense account, 620.05, because the Safe and Books, when bought, were charged to Expense account, and are therefore included in the Dr. footing, 620.05.

JAS. T. HOAG.

The Dr. footing of his account is 123.75, and the Cr. footing 25. You are to extend to the Resource column the difference, 98.75, because it is the balance he owes you (32, page 6).

WELLS, JOHNSON & CO.

The Cr. footing of their account is 968.75, and the Dr. footing 200. You are to extend to the Liability column the difference, 768.75, it being the balance you owe them (33, page 6).

BILLS PAYABLE.

[129] The difference between the Cr. footing, 2383.75 (the notes issued), and the Dr. footing, 2083.75 (notes redeemed), is 300, which you are to extend to the Liability column, it being the Bills Payable outstanding (33, page 6).

BILLS RECEIVABLE.

[130] The difference between the Dr. footing, 2854.80 (the notes received), and the Cr. footing, 2724.50 (notes disposed of), is 130.30, which you are to extend to the Resource column, it being the Bills Receivable on hand (32, page 6).

DAVID BAILEY and W. A. BANCROFT.

Same instructions and explanations for these accounts as given above for H. W. Stevens' account.

INTEREST.

[131] The difference between the Cr. footing, 2.17 (the interest allowed to us), and the Dr. footing, 1.92 (the interest allowed by us), is 25c, which you are to extend to the Gain column (31, page 6).

DISCOUNT.

[132] The difference between the Dr. footing, 16.64 (the discount allowed by us), and the Cr. footing, 3.16 (the discount allowed to us), is 13.48, which you are to extend to the Loss column (30, page 6).

SICKLES, STOVER & JACKSON.

Same instructions and explanations as given above for Jas. T. Hoag's account.

REAL ESTATE.

[133] The difference between the Cr. footing, 2300 (the returns from sales), and the Dr. footing, 2000 (the cost), is 300, which you are to extend to the Gain column (31, page 6).

CLARK, SONS & BRADLEY.

Same instructions and explanations as given above for Jas. T. Hoag's account.

COLLEGE BANK.

[134] The difference between the Dr. footing, 5200 (the amount deposited), and the Cr. footing, 1241.07 (the amount withdrawn), is 3958.93, which you are to extend to the Resource colnmn, it being the balance on deposit in the bank (32, page 6).

You may now foot the remaining columns of your Balance Sheet, viz: the Resource, Liability, Loss and Gain columns, after which make a summary of the results, as shown in the form of Balance Sheet on page 34.

[135] When the losses exceed the gains, the difference is called the "Net Loss." [136] In such case the Net Loss is to be deducted from the Net Investment, to find the Present Worth.

[137] When the Liabilities exceed the Resources, the Proprietor is said to be "Insolvent."

Balance Sheet March 31, 188-

					Resources	Liabilities	Losses	Gains
1	Student	600	5000					
2	Cash	1587191	1553049	34142				
4	Merchandise	9994.53	9377.62					803.62
5	H. W. Stevens	775	1210			435		
	Ford & Co.	200			200			
	Expense	630 05					320 05	
	Jas T. Hoag	12375	25		9875			
	Wells J. & Co.	200	968 75			768 75		
	Bills Payable	2083 75	2383 75			300		
	Bills Rec.	2854 80	2724 50		130 30			
	David Bailey	462 50	562 50			100		
	W. A. Bancroft	600	630			30		
	Interest	1 92	2 17					25
	Discount	16 64	3 16				13 48	
	Sickles S. & J.	445	275		170			
	Real Estate	2000	2300					300
	Clark S. & B.	492 19	300		192 19			
	College Bank	5200	1241 07		3958 93			
		42542 01	42542 01		6812 09	1641 75	333 53	1103 87

Summary

Gains	1103.87	Students Credit	5000
Losses	333 53	Debit	600
		Net Credit	4400
		Net Gain	770 34
Resources	6812 09		
Liabilities	1641 75		

NOTE.—You may now close your Ledger, as explained below.

First, study carefully the following "General Rules for Closing the Ledger," and then proceed with the work as instructed under "Guide for Closing the Ledger for March," on page 36.

CLOSING THE LEDGER.

[138] It is customary in business, once a year at least, to cause the proprietor's account in the Ledger to show its true relation to the business; that is, the proprietor's present worth. [139] To do this, it is necessary to close *only* the accounts which show losses and gains; because in these accounts are entered all the transactions which make the proprietor worth more or less. The Net Gain or Net Loss found by closing these accounts is entered in the proprietor's account, which will then show the true Present Worth.

[140] The remaining accounts, those showing resources and liabilities, need not be closed for this purpose, as they simply show *of what such present worth consists*, and closing them in no way affects the proprietor's account. They may be closed, however, to mark a period in the business, or for the purpose of causing each account to exhibit in a single amount, convenient for inspection, its exact net debit or exact net credit, as the case may be.

[141] Any account may be closed at any time, without reference to a general closing of the ledger. As, for instance—if the footings become very large and unwieldy, the account may be closed and the balance carried forward; or, in the case of a personal account, if an adjustment is had and the correct balance determined, it is desirable to close the account and carry forward the balance agreed upon at that time; or, if the space assigned an account becomes filled, the account may be closed and the balance transferred to a new account.

[142] It is not customary in business, even at a general closing of the ledger, to close all of the personal accounts. The ledger of a large business house not infrequently contains personal accounts reaching into the thousands, and to close all of these would involve a great amount of unnecessary labor. Personal accounts, therefore, are, as a rule, allowed to remain open until closed by payment in the regular course of business.

For the purpose, however, of giving the pupil practice in the work of closing the ledger, all of the accounts may now be closed, as explained below. First, read carefully the General Rules for Closing the Ledger, and then proceed with the work, as instructed on page 36.

GENERAL RULES FOR CLOSING THE LEDGER.

[143] Open an account with "Loss and Gain," at the top of the first blank page following the last account in your Ledger, if you have not already opened such an account.

To economize time, and to avoid omissions, it is desirable to close the accounts in the order in which they stand in the Ledger, omitting the Proprietor's account until all the other accounts in the Ledger have been closed.

ACCOUNTS SHOWING LOSSES AND GAINS HAVING INVENTORIES CLOSED.

[144] If an account has a Resource Inventory, enter the amount of it on the *credit* side of the account, in *red ink*, using for explanation "Inventory." [145] If an account has a Liability Inventory, enter the amount of it on the *debit* side of the account, in red ink, using for explanation "Inventory." [146] Next enter, on the smaller side of the account, in red ink, the difference between the sides, using for explanation "Loss and Gain." [147] Next rule up the account and enter the footings, carrying the Inventory below the rulings, on the opposite side of the account, in black ink. [148] Next transfer the loss and gain amount to the opposite side of Loss and Gain account, in black ink, using for explanation the title of the account you are closing, as "Expense" or "Merchandise."

ACCOUNTS SHOWING LOSSES AND GAINS HAVING NO INVENTORIES CLOSED.

[149] Enter, on the smaller side, in red ink, "Loss and Gain," and the difference between the sides of the account. Rule up the account, enter the footings, and transfer the loss and gain amount to the opposite side of Loss and Gain account, in black ink, using for explanation the title of the account you are closing, as "Mdse.," "Real Estate," etc.

ACCOUNTS SHOWING RESOURCES AND LIABILITIES CLOSED.

[150] Enter, on the smaller side of the account, in red ink, "Balance" and the difference between the sides. Rule and foot the account, and carry the difference below the rulings, on the opposite side, in black ink, using for explanation "Balance."

[151] LOSS AND GAIN ACCOUNT CLOSED.

Enter on the smaller side of Loss and Gain account, in red ink, the proprietor's name and the difference between the sides, which difference will be the Net Gain or Net Loss. Rule and foot the account, and carry the difference to the opposite side of the proprietor's account, in black ink, using "Loss and Gain" for explanation. In case of a partnership, the difference should be divided according to the terms of the partnership contract, and each partner's name and share entered separately in the Loss and Gain account, and afterward transferred to the opposite side of his individual account.

[152] THE PROPRIETOR'S ACCOUNT CLOSED.

Enter on the smaller side, "Present Worth" and the difference between the sides, in red ink. Rule and foot the account, and bring the difference below the rulings on the credit side of the account, in black ink, using "Present Worth" for explanation. In case the debit side of the proprietor's account is greater, the difference will be entered as "Insolvency." In case of a partnership, each partner's account should be closed as described above. This completes the closing of the Ledger.

NOTE.—After you have carefully read the "General Rules for Closing the Ledger," given above, you may proceed with the work of closing your Ledger.

To assist you in applying the foregoing rules, a few closed accounts are shown on pages 38 and 39, and *explicit* directions are given below for every step to be taken, and you should follow these directions very carefully. Take each step in the *exact order* indicated, and perform the work precisely as directed.

GUIDE FOR CLOSING THE LEDGER, MARCH 31, 188–.

First, at the top of a new page in your Ledger, open an account with Loss and Gain. Simply write the heading. No entry is to be made in the account for the present.

Then turn to the first account in your Ledger following the Proprietor's (Student's) account, which is

CASH.

On the first vacant line on the Cr. side of this account say, *in red ink*, "Mar. 31, Balance, 341.42." Next rule and foot the account. (See Cash account closed, on page 38.)

[153] In ruling an account, draw the red line directly *upon* the blue line. In the double ruling, draw the lines as close as possible and not have them run together. Rule on the *same line* on both sides of the account, even if there be a larger number of entries upon one side than upon the other. (See ruling, on page 38.)

[154] The space for Cash on page 2 having been filled, open another Cash account at the top of a new page in your Ledger, and transfer the balance, 341.42, forward to the new account, as follows: On the Dr. side of the new Cash account say, *in black ink*, "Apr. 1, Balance, 341.42."

[155] In *the page column* of the old Cash account, enter the page of the new account, to show where the balance was *transferred to;* and in the page column of the new account, enter the page of the old account, to show where the balance was *transferred from.*

[156] Red ink entries in the Ledger indicate that the amounts so entered are *to be transferred* to some other place.

MERCHANDISE.

On the Cr. side of this account enter, first, the inventory. Say, *in red ink*, "Mar. 31, Inventory, 1420.50." Then, on the Dr. side, enter the gain. Say, *in red ink*, "Mar. 31, Loss and Gain, 803.62," and enter in page column the page of the Loss and Gain account. Next rule and foot the account (see Mdse. account closed, on page 38). Next transfer the gain to the Cr. side of the Loss and Gain account. Say, *in black ink*, "Mar. 31, Mdse., 803.62," and enter page of Mdse. account. Next transfer the inventory below the ruling on the Mdse. account, on the Dr. side. Say, in black ink, "Apr. 1, Inventory, 1420.50."

H. W. STEVENS.

On Dr. side of this account say, *in red ink*, "Mar. 31, Balance, 435." Next rule and foot the account. Next transfer the balance below the ruling on the Cr. side. Say, *in black ink*, "Apr. 1, Balance, 435." (See Stevens' account closed, on page 38.)

FORD & CO.

Only one item having been posted to this account since it was balanced and ruled up, it is unnecessary now to close it, the balance, 200, being shown as it stands.

EXPENSE.

On the Cr. side of this account enter, first, the inventory. Say, *in red ink*, "Mar. 31, Inventory, 300." Next enter, on the same side of the account, the loss. Say, *in red ink*, "Mar. 31, Loss and Gain, 320.05," and enter page of Loss and Gain account. Next rule and foot the account. Next

transfer the loss to the Dr. side of the Loss and Gain account. Say, in *black ink*, "Mar. 31, Expense, 320.05," and enter page of Expense account. Next transfer the inventory below the ruling of the Expense account, on the Dr. side. Say, in black ink, "Apr. 1, Inventory, 300." (See Expense account closed, on page 39.)

JAS. T. HOAG.

On Cr. side of this account say, in red ink, "Mar. 31, Balance, 98.75." Next rule and foot the account. Next transfer the balance below the ruling, on the Dr. side. Say, in black ink, "Apr. 1, Balance, 98.75." (See Hoag's account closed, on page 39.)

WELLS, JOHNSON & CO.

Take the same steps in closing this account that you did in closing H. W. Stevens' account. (See directions for closing his account, on page 36.)

BILLS PAYABLE.

On the Dr. side of this account say, in red ink, "Mar. 31, Balance, 300." Rule and foot the account, and transfer the balance below the ruling, on the Cr. side. Say, in black ink, "Apr. 1, Balance, 300."

BILLS RECEIVABLE.

On the Cr. side of this account say, in red ink, "Mar. 31, Balance, 130.30." Rule and foot the account, and then transfer the balance below the ruling on the Dr. side. Say, in black ink, "Apr. 1, Balance, 130.30."

DAVID BAILEY and W. A. BANCROFT.

Same instructions as given for closing H. W. Stevens' account.

INTEREST.

On Dr. side of this account say, in red ink, "Mar. 31, Loss and Gain, 25c," and enter page of Loss and Gain account. Next rule and foot the account. Next transfer the gain to the Cr. side of the Loss and Gain account. Say, in black ink, "Mar. 31, Interest, 25c," and enter page of Interest account. (See Interest account closed, page 39.)

DISCOUNT.

On Cr. side of this account say, in red ink, "Mar. 31, Loss and Gain, 13.48," and enter page of Loss and Gain account. Rule and foot the account; then transfer the loss to the Dr. side of the Loss and Gain account. Say, in black ink, "Mar. 31, Discount, 13.48." (Remember always to enter the number of the page, when amounts are transferred to or from some other page in the Ledger.

SICKLES, STOVER & JACKSON.

Same instructions as given for closing Jas. T. Hoag's account. (See Hoag's account closed, on page 39.)

REAL ESTATE.

On Dr. side say, in red ink, "Mar. 31, Loss and Gain, 300." Rule and foot the account, and then transfer the gain to the Cr. side of Loss and Gain account. Say, in black ink, "Mar. 31, Real Estate, 300."

CLARK, SONS & BRADLEY.

Same instructions as given for closing Jas. T. Hoag's account.

COLLEGE BANK.

On Cr. side say, in red ink, "Mar. 31, Balance, 3958.93." Rule and foot the account, and transfer the balance below the ruling on the Dr. side. Say, in black ink, "Apr. 1, Balance, 3958.93."

LOSS AND GAIN.

On Dr. side of this account say, in red ink, "Mar. 31, Student, 770.34." Rule and foot the account; then transfer the Net Gain to the Cr. side of Student's account. Say, in black ink, "Mar. 31, Loss and Gain, 770.34." (See account closed, on page 39.)

STUDENT.

On Dr. side of this account say, in red ink, "Mar. 31, Present Worth, 5170.34." Rule and foot the account; then transfer the difference below the ruling, on the Cr. side. Say, in black ink, "Apr. 1, Present Worth, 5170.34." (See account closed, on page 38.)

Your Ledger is now closed, and the purpose of such closing has been accomplished, viz: [157] The Proprietor's account has been made to show his present worth, and [158] the resources and liabilities representing such present worth are exhibited below the rulings of the various accounts showing them.

NOTE.—This subject continued on page 40.

Student.

188-						188-					
Jan	1		1	300		Jan	1		1	4000	
	18		2	75		Mar	7		7	1000	
Feb	17		5	100			31	Loss & Gain	16	770	34
Mar	24		8	125							
				600							
	31	Pres. North		5170	34						
				5770	34					5770	34
						Apr	1	Pres. North		5170	34

Cash

188-						188-					
Mar	22		8	15170	77	Mar	21		8	11300	49
	28		8	292	50		24		8	1200	
	30		8	300	64		29		9	125	
			9	100			31		9	75	
				15871	91				9	3000	
										15550	49
							31	Balance		321	42
				15871	91					15871	91

Merchandise

188-						188-					
Mar	18		7	9779	50	Mar	15		7	7695	12
				215						853	50
	31	Loss & Gain	16	803	62		19		8	127	50
							22		8	292	50
							26		8	409	
										9377	62
							31	Inventory		1420	50
				10798	12					10798	12
Apr	1	Inventory		1420	50						

N. W. Stevens.

188-						188-					
Feb	20		5	350		Mar	1		6	375	
				225						235	
	26		5	200						210	
Mar	31	Balance		775							
				435							
				1210						1210	
						Apr	1	Balance		435	

James T. Hoag.

188						188					
Jan	20		2	950		Jan	12		1	950	
Feb.	7		4	56	25	Mar	7		7	25	
Mar	3		6	67	50			[illegible]		[illegible]	
				123	75					123	75
Apr	1	Balance		98	75						

Expense.

188										
Mar	9		7	4	75	[illegible]	[illegible]	Inventory	300	
	29		9	75		[illegible]	[illegible]	[illegible]	320	00
	31		9	25						
				620	05				620	05
Apr.	1	Inventory		300						

Interest.

188						188					
Feb.	25		5		85	Feb.	17		5		90
Mar	26		8	1	07	Mar	20		8	1	23
	31	Profit & Loss			25		28		8		64
				2	17					2	17

Loss & Gain.

188						188					
Mar	31	Expense	6	320	05	Mar	31	Mdse.	4	803	62
	31	Discount	13	19	48		31	Interest	12		25
	31	Stock	1	773	34		31	Real Est.	13	300	
				1103	87					1103	87

[159] In closing the accounts, the equilibrium of the Ledger has not been disturbed, [160] as, in every instance where an amount was entered in an account, either upon the debit or credit side of the Ledger, the *same amount* was immediately transferred to the *opposite* side of the Ledger, either in some other account or below the rulings of the same account, thus keeping the Ledger constantly in balance. A trial balance, to prove that your Ledger is now in balance, should be taken, and if correct will correspond with the following:

TRIAL BALANCE OF LEDGER BALANCES, APRIL 1, 188–.

[161] RESOURCES (Dr. Balances).		[162] LIABILITIES (Cr. Balances).	
Cash,	341.42	Bills Payable,	300.00
Mdse. Inv.	1,420.50	Personal Accounts,	1,341.75
Expense Inv.	300.00		
Bills Receivable,	130.30	Total Liabilities,	1,641.75
College Bank,	3,958.93	Student's Present Worth,	5,170.34
Personal Accounts,	660.94		
Total Resources,	6,812.09		6,812.09

NOTE.—After you have proved your Ledger to be in balance, as above indicated, you will be ready to proceed with the month of April. Before doing so, however, write out upon foolscap paper answers to the following questions, and present them, with your books, to the teacher for approval.

QUESTIONS FOR REVIEW.

Page 5.—[1-2] What is Book-keeping? [6-8] Describe the use of the Day Book. [9-13] The Journal. [14-20] The Ledger. [22] Give the three kinds of accounts used in Double Entry.

Page 6.—[23-24] Give the rule for journalizing Personal accounts. [25-26] Property. [27-28] Allowances. [29] Into how many general classes are the three kinds of accounts divided? [30] When does an account show a Loss? [31] When a Gain? [32] What is a Resource? [33] Liability? [36-37] Give the rule for journalizing the Proprietor's account. [39-40] Cash. [47-48] Mdse.

Page 7.—[54-55] Expense. [59-60] Bills Receivable. [67-68] Bills Payable. [75-76] Interest, Discount, etc.

Page 20.—[81] What is a Trial Balance? [83-84] Why does it not prove the Ledger absolutely correct? [92] When may an account be omitted from the Trial Balance?

Page 21.—[95] What is the first thing to be done to locate an error in the Trial Balance? [96-97] The second? [98] What effect would the omission of an amount in posting have upon the Trial Balance? [100] What if posted to the wrong side of the Ledger? [102] What is the peculiarity of an error caused by figures having been transposed? [103] When all of the short tests for finding the error fail, what is it necessary to do as a final resort? [107-109] Why is it necessary to indicate by a check mark in the Ledger that each item has been examined?

Page 27.—[110-111] Give the rule for journalizing Bank account. [113] How are the checks of other parties in your hands treated?

Page 31.—[113-115] What is an Inventory? [116-117] How found usually, and at what price are the goods estimated?

Page 32.—[120] What are exhibited in the Balance Sheet? [122] In what column are the Inventories entered? [123-124] How is the gain on Mdse. found?

Page 33.—[128] How is the loss on Expense found?

Page 34.—What does the difference between the footings of the columns of Resources and Liabilities show? (See Summary, also 137, page 33.) What does the difference in the footings of the columns of Losses and Gains show? (See Summary, also 135, page 33.) How is the Present Worth of the proprietor ascertained? (See Summary, also 136, page 33.)

Page 35.—[138-139] How often and in what manner is the proprietor's account in the Ledger caused to exhibit its true relation to the business? [140] Why is it not necessary, for this purpose, to close the accounts showing resources and liabilities? [141] State some of the circumstances under which an account may be closed at any time. [142] Why is it not customary in business to close the personal accounts, even at a general closing of the Ledger? [143] In closing the Ledger, what new account is it, sometimes, necessary to open? [144-148] How are accounts showing losses and gains having inventories, closed? [149] How are accounts showing losses and gains having no inventories, closed? [150] How are accounts, showing resources and liabilities, closed?

Page 36.—[151] How is the Loss and Gain account closed? [152] How is the Proprietor's account closed? How are partners' accounts closed?

NOTE.—Before proceeding with the month of April, study carefully the following explanations and examples on pages 41, 42, 43 and 44.

DRAFTS.

[163] A Draft is the written order of one party upon a second, requesting the payment of a sum of money to a third. [164] The party drawing the draft is the "Drawer." [165] The party upon whom the draft is drawn is the "Drawee." [166] The party to whom the draft is made payable is the "Payee."

[167] The draft is employed, usually, as a medium of exchange between distant places, obviating the expense and risk of sending money.

[168] Drafts may be drawn with reference to time in three different ways, viz: [169] At sight, [170] a specified number of days after sight, or [171] a specified number of days after date. [172] Drafts drawn "at sight" are presented to the Drawee for payment. [173] Time drafts are presented for "acceptance."

[174] Acceptance, when applied to drafts, signifies the written acknowledgement of the Drawee, that he agrees to the conditions named in the draft. [175] This he does by writing across the face of the draft, usually in red ink, to distinguish the acceptance from the other writing, the word Accepted, the date, where payable, and his signature. [176] It is not necessary to date the acceptance when the draft is drawn a given number of days after date.

$ 2444.25 BALTIMORE, MD., Oct 25, 188-

At ten days sight PAY TO

Willitson, Burgess & Hait, OR ORDER,

Twenty-four Hundred Fourteen 25/100 DOLLARS.

VALUE RECEIVED, AND CHARGE TO ACCOUNT OF

TO J. V. Wentworth
No. 24 Albany, N.Y.

Perry & Jackson.

In the above draft, the firm of Perry & Jackson is Drawer, J. V. Wentworth is Drawee, and the firm of Willitson, Burgess & Hait, is Payee. The parties sustain the following relations to each other: Perry & Jackson owe Willitson, Burgess and Hait, and Wentworth owes Perry & Jackson. Perry & Jackson, who reside in Baltimore, draw the draft and remit it to Willitson, Burgess & Hait, who reside in Albany. Immediately upon its receipt, they present it to Wentworth, who also resides in Albany, for acceptance. If accepted, Willitson, Burgess & Hait will hold Wentworth's written promise to pay, which, when paid, will cancel the indebtedness of both Perry & Jackson and Wentworth.

[177] The Payee has no legal claim against the Drawee until after the draft has been accepted.

[178] There need necessarily be but two parties to a draft. [179] The Drawer may make the draft payable to himself, in which case he either sends it to the Drawee to be accepted and returned, or, if his (the Drawer's) credit be unquestioned, he may dispose of it before acceptance.

[180] What are termed "Bank Drafts" constitute a large proportion of the business transacted through this medium of exchange. [181] All banks keep money deposited with one or more of the banks located at some one of the commercial centers of the country, as New York, Boston, Chicago, San Francisco, New Orleans, etc., against which they draw drafts to sell to their customers for remittance to creditors, these drafts passing everywhere current as cash.

SPECIAL INSTRUCTIONS FOR JOURNALIZING DRAFTS.

DRAWER'S ENTRIES.

[182] When he draws a draft and remits it to the Payee, to apply on account, he makes	Payee, Dr.	To Drawee,
[183] When he draws a draft and disposes of it, less discount, receiving cash for proceeds.	Cash, Discount,	To Drawee,

DRAWEE'S ENTRIES.

[184] When he accepts a draft drawn on him on account.	Drawer, To Bills Payable,
[185] When he pays a sight draft drawn on him in cash.	Drawer, To Cash,
[186] When he prepays a time draft, in cash, less discount, instead of accepting it.	Drawer, To Discount, " Cash,
[187] When he pays his acceptance at maturity, in cash.	Bills Payable, To Cash,

PAYEE'S ENTRIES.

[188] When he receives a time draft from Drawer, to apply on account, and has had it accepted.	Bills Receivable, To Drawer,
[189] When the Drawee prepays the draft in cash, less discount, instead of accepting it.	Cash, Discount, To Drawer,
[190] When he buys the draft of the Drawer, instead of receiving it on account, the Drawer allowing him the discount.	Bills Receivable, To Cash, " Discount,

GENERAL RULE FOR JOURNALIZING DRAFTS WHEN DRAWN ON ACCOUNT.

[191] Debit the person who draws the draft on you. [192] Credit the person on whom you draw a draft.

NOTE.—The following examples and explanations are given to illustrate the application of the principles embodied in the foregoing special and general rules regarding drafts, and to assist you in the work of journalizing the transactions in which drafts are involved in the following sets.

EXAMPLES ILLUSTRATING JOURNAL ENTRIES OF ALL PARTIES TO DRAFTS, UNDER DIFFERENT CONDITIONS.

EXAMPLE No. 34.

(For form of accepted draft, see page 41.)

Accepted, payable at Merchants' Bank.
FROST & SELDEN.

$500.00. DETROIT, MICH., Apr. 1, 188–.

Thirty days after date, for value received, pay to Smith & Ogden, or order, Five Hundred Dollars, and charge the same to my account.

To FROST & SELDEN, Philadelphia, Pa. R. H. DINGMAN.

Due May 4, 188–.

Dingman's entry, if he sends above draft to Smith & Ogden to apply on account.		Smith & Ogden, To Frost & Selden,	500		500
Frost & Selden's entry when they accept the draft.		R. H. Dingman, To Bills Pay.,	500		500
Smith & Ogden's entry at time of receiving the draft from Dingman on account.		Bills Rec'v, To R. H. Dingman,	500		500

EXAMPLE No. 35.

$200.00. RICHMOND, VA., Apr. 6, 188–.

At sight, pay to the order of E. T. Crouch, Two Hundred Dollars, for value received, and charge same to the account of

GOSS & FARNSWORTH.

To EATON, CLARK & Co.,
New York.

Goss & Farnsworth's entry at time of drawing the draft and remitting it to Crouch, on account.			E. T. Crouch, To Eaton, Clark & Co.	200	00		200 00
E. T. Crouch's entry at time of receiving draft of Goss & Farnsworth, on account.			Cash, To Goss & Farnsworth,	200	00		200 00
Eaton, Clark & Co.'s entry at time of paying the draft, in cash.			Goss & Farnsworth, To Cash,	200	00		200 00

EXAMPLE No. 36.

$600.00. BURLINGTON, IOWA, Apr. 10, 188–.

At ninety days' sight, pay to the order of A. M. Gordon, Six Hundred Dollars, value received, and charge to account of

BIGELOW & CO.

To HATCH, MILLS & PARDEE,
Chicago, Ill.

Bigelow & Co.'s entry at time of drawing the draft and sending it to A. M. Gordon, on account.			A. M. Gordon, To Hatch, Mills & Pardee,	600	00		600 00
A. M. Gordon's entry if, when he presents the draft, Hatch, Mills & Pardee prepay it in cash, less discount 93 days, instead of accepting it.			Cash, Discount, To Bigelow & Co.,	590 9	83 17		600 00
Hatch, Mills & Pardee's entry at time of prepaying the draft as above stated.			Bigelow & Co., To Cash, " Discount,	600	00		590 83 9 17

EXAMPLE No. 37.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Accepted J. T. Brown's draft on us, at 10 days' sight, favor of D. Woods, to apply on account,		400	J. T. Brown, To Bills Payable,	400	400

We owe Brown the above amount. He therefore has the right to order us to pay it, either to himself or to another. In accepting the draft—that is, in agreeing to its conditions in writing—we issue our written promise to pay, and must therefore credit Bills Payable. We debit Brown because we get out of his debt by agreeing in writing to pay this amount to another party.

EXAMPLE No. 38.

DAY BOOK RECORD.				JOURNAL ENTRY FOR SAME.			
Drew a draft at 60 days after date, on Marsh Bro's, Kansas City, and discounted it at City Bank,			100	Discount,	1 04		
Discount for 63 days,	1	04		Cash,	98	96	
Rec'd cash for proceeds,	98	96		To Marsh Bro's,			100

Marsh Bro's owe us the above amount, due in 60 days. Having immediate use for the money, we draw a draft upon them and get it discounted at City Bank. By paying the above draft, Marsh Bro's will get out of our debt. We therefore give them credit, Cash and Discount being debited. Should Marsh Bro's fail to honor the draft, however, we should be obliged to refund the money to the bank, in which case Marsh Bro's would be debited back, thus placing their account as it was before the draft was drawn.

EXAMPLE No. 39.

DAY BOOK RECORD.				JOURNAL ENTRY FOR SAME.			
Prepaid our acceptance in favor of Wm. Heath,			250	Bills Payable,	250		
Discount off, 40 days,	1	64		To Discount,			1 64
Paid balance in cash,	248	36		" Cash,			248 36

At the time of accepting the above draft, we issued our written promise to pay, and therefore Bills Payable must have been credited. We now debit Bills Payable, because our written promise to pay has been redeemed.

EXAMPLE No. 40.

DAY BOOK RECORD.				JOURNAL ENTRY FOR SAME.			
Paid Geo. D. Baker's draft on us, at 60 days' sight, less discount.				Geo. D. Baker,	300		
Face of draft,			300	To Discount,			3 11
Discount off, 63 days,	3	11		" City Bank,			296 89
Paid balance by check on City Bank,	296	89					

We pay the above draft drawn upon us by Baker when it is presented, instead of accepting it, and therefore credit Discount and City Bank instead of crediting Bills Payable, as in Example No. 37 above.

EXAMPLE No. 41.

DAY BOOK RECORD.				JOURNAL ENTRY FOR SAME.			
Had C. T. Meldrum's acceptance discounted at City Bank,			175	City Bank,	173	62	
Discount off, 48 days,	1	38		Discount,	1	38	
Proceeds placed to our credit,	173	62		To Bills Receivable,			175

When the above draft was received by us and accepted by Meldrum, we must have debited Bills Receivable, because the written promise to pay of another person had come into our possession. We therefore credit Bills Re[illegible] now, because such written promise to pay is disposed of.

NOTE.—After you have carefully read the foregoing rules and explanations, you may proceed with the month of April. You are to admit Mr. D. W. Leonard as an equal partner in the business, he to invest an amount of cash equal to your present worth, as shown by your Balance Sheet of March 31st.

In a business conducted by a partnership, an account is usually opened in the Ledger with each partner, in which he is credited with his share of the investment and also his share of the gains, or is debited with his share of the losses.

A "Stock" account is sometimes opened in a partnership business, instead of an account with each partner, which is credited with the combined investment of the partners, and at stated periods is credited with the entire net gain of the business, or debited with the net loss. In such case a "Stock Ledger" is kept by the partners, upon which each has an account showing his interest in the business. In the month of April the first plan will be adopted. The memoranda of transactions for the month of April begin on page 46.

April 1, 185

D. W. Leonard has this day been admitted as an equal partner, the firm name to be Student & Leonard					
Cash	Investment equal to	5170	34		
To D. W. Leonard	Student's present worth			5170	34
	1				
Mdse.	Bought on account	1112	50		
To David Bailey	40 bbls. Sugar 10,000 lbs. 11¼			1112	50
	2				
Bills Rec.	Note, 25 days, on a/c.	100			
To Ford & Co.				100	
	3				
Cash	Received cash	50			
Bills Rec.	Note, 15 days, with int.	200			
F. W. Warren	Balance on account	75			
To Mdse.	10 bbls. Sugar, 2500 lbs. 13			325	
	3				
College Bank	Deposited	2500			
To Cash				2500	
	4				
Wells, Johnson & Co.	Note, 20 days, with	400			
To Bills Pay	int. on account			400	
	5				
N. W. Stevens	Paid on account	100			
To Cash				100	
	6				
College Bank	Ford & Co's note of	99	59		
Discount	2nd inst. discounted		41		
To Bills Rec.		100		100	

NOTE.—The Day Book and Journal will hereafter be combined; the history of the transactions being written in connection with the journal entry. In the form shown above, both debits and credits are entered at the left side of the page, the right side being reserved for the explanations. The debits are to be entered first. The credits are distinguished by having the sign "To" placed before them. The explanations are to be written about one-third smaller than the journal entries. If, however, the teacher prefer, the Day Book and Journal may be continued as separate books to the month of July, page 58.

APRIL 1, 188–

D. W. Leonard has this day been admitted as an equal partner, the firm name to be Student & Leonard.

"

D. W. Leonard invests Cash equal to Student's present worth.

"

Bo't of David Bailey, New York, on ℅, 40 bbls. Sugar, 10000 lbs., @ 11½c.

2.

Received of Ford & Co. their note at 25 days on ℅, 100.00.

3.

Sold F. W. Warren, Avon, N. Y., 10 bbls. Sugar, 2500, @ 13c. Received in payment Cash, 50.00. His note at 15 days, with interest, 200.00. Balance on ℅.

"

Deposited Cash in College Bank, 2500.00.

4.

Gave Wells, Johnson & Co. our note of 20 days, with interest, on ℅, 400.00.

5.

Paid H. W. Stevens, cash on account, 100.00.

"

60, pa. 7. 75, pa. 7. 110, p. 27. Had Ford & Co.'s note of 2d inst. discounted at College Bank. Face of note 100.00; discount, 25 days, 41c.; proceeds credited to our account, 99.59.

6.

Sold Moore & Collins, Buffalo, 50 bbls. Flour, @ 8.25. Rec'd in payment, their note at 30 days for 150.00; balance on ℅.

7.

Ex. 37, p. 43. Accepted David Bailey's draft on us, at 10 days' sight, favor E. R. Andrews, payable at College Bank, to apply on ℅, 500.00.

8.

Ex. 38, p. 44. Drew a draft at 30 days from date, on Ford & Co., Baltimore, and had it discounted at College Bank. Face of draft, 100.00; discount, 33 days, 54c.; rec'd cash, 99.46.

"

Ex. 37, p. 43. Accepted W. A. Bancroft's (Boston) draft on us, favor of himself, at 3 days' sight, to balance ℅, 38.00.

9.

Bo't of W. A. Bancroft, Boston, 20 chests Y. H. Tea, 1200 lbs., @ 65c. Gave him in payment, check on College Bank, 500.00. Balance on ℅.

10.

185, p. 42. 111, p. 27. Paid Wells, Johnson & Co.'s sight draft on us, favor A. S. Briggs, by check on College Bank, 100.00.

"

Deposited cash in College Bank, 1500.00.

11.

Ex. 37, p. 43. Accepted H. W. Stevens' (Detroit) draft on us, at 30 days from Apr. 8th, favor Howe & Orton, for 200.00.

12.

Sold Clark, Sons & Bradley, New York, on ℅, 10 chests Y. H. Tea, 600 lbs., @ 75c.; 5 mats Java Coffee, 400 lbs., @ 32c.

13.

67, pa. 7. 76, pa. 7. 111, p. 27. Prepaid note given Wells, J. & Co., Mar. 6. Face of note, 300.00; discount off to maturity, 25 days, 1.23. Paid balance by check on College Bank.

14.

182, p. 41. Drew a draft on Clark, Sons & Bradley, New York, at sight, and remitted it to David Bailey, on ℅, 300.00.

"

187, p. 42. Paid our acceptance of 8th inst., favor of W. A. Bancroft, due to-day, in cash, 38.00.

15.

Rec'd cash of Sickles, Stover & Jackson, on ℅, 50.00.

16.

188, p. 42. Rec'd from Moore & Collins, Buffalo, to apply on %, their draft, at 3 days' sight, on L. M. Horton, which Horton accepted, 200.00.

17.

Rec'd cash of Moore & Collins for their note of Mar. 25th, due to-day, 130.30.

18.

Ex. 39, p. 44. Prepaid our acceptance of 11th inst., favor Howe & Orton. Face of acceptance, 200.00; discount to maturity, 23 days. Paid balance in cash. (See Note No. 1, below.)

19.

Sold R. H. Barnard, City, on %, 50 bbls. Salt, @ 2.55.

20.

187, p. 42. 111, p. 27. Our acceptance of 7th inst., favor Andrews, due to-day, at College Bank, has been charged by the Bank to our %. (See Note No. 2, below.)

21.

39, pa. 6. 60, pa. 7. 76, pa. 7. F. W. Warren paid his note of 3d inst., and interest, due to-day, in cash. Face of note, 200.00; interest to date, 18 days.

"

182, p. 41. 75, p. 27. Drew a draft at 60 days from date, on Sickles, Stover & Jackson, Detroit, and remitted it to H. W. Stevens, on %, less discount. Face of draft, 100.00; discount off, 63 days. Charged the balance to his %.

22.

39, pa 6. 60, pa. 7. Rec'd cash of L. M. Horton, for his acceptance of 16th inst., due to-day.

"

Paid Rent of Store in cash, 25.00.

23.

Rec'd of R. H. Barnard, his note at 20 days, with interest, to apply on %, 50.00.

24.

Student drew cash from the business, for his private use, 50.00.

25.

Drew a draft on F. W. Warren, Avon, at 30 days' sight, favor of ourselves, to balance %, and sent draft to him to be accepted and returned. Amount of draft, 75.00. (This is simply a memorandum; no journal entry is required until draft is returned.)

26.

47, pa. 6. 68, pa. 7. 24, pa. 6. Bo't of Beekman & Ordway, Phil'a, 20 hhds. N. O. Molasses, 1200 gals., @ 50c. Accepted their draft on us, favor themselves, at 60 days' sight, 315.00. Balance on %.

"

Deposited in College Bank, 1000.00.

27.

59, pa. 7. 24, pa. 6. F. W. Warren returned draft accepted. Acceptance dated Apr. 26. (See Apr. 25, above.)

"

Paid our note of 4th inst., favor Wells, Johnson & Co., and interest, due to-day, by check on College Bank. Face of note, 400.00; interest to date, 23 days.

28.

Paid W. A. Bancroft, on %, by check on College Bank, 175.00.

29.

Paid Bookkeeper's Salary in cash, 75.00.

30.

A fire in our store last night damaged our entire stock of Tea. No insurance. Sold the entire lot to-day at auction for cash; 1200 lbs., @ 25c.

"

39, pa. 6. 75, pa. 7. 60, pa. 7. Discounted F. W. Warren's acceptance, received 27th inst., at College Bank. Face of acceptance, 75.00; discount off, 29 days. Rec'd cash for the proceeds.

NOTE No. 1.—Compute Interest and Discount at 6 per cent., on a basis of 365 days for a year.

NOTE No. 2.—Since in the acceptance of this draft we made it payable at College Bank, the bank charges it to our account the same as a check.

INVENTORIES, APRIL 30, 188__.

NOTE.—Copy the Inventory in the form shown on page 31.

MDSE.	50 bbls. Flour, @ 7.00; 30 bbls. Sugar, 7500 lbs., @ 11⅛c.; 400 lbs. J. Coffee, @ 28c.; 1260 gals. Molasses, @ 50c.	=Total, 1926 38
EXPENSE.	Office Safe, valued 10 % below cost. 250.00—25.00=225.00.	
	" Books, " 20 % " " 50.00—10.00= 40.00.	=Total, 265 00

NOTE.—Before proceeding to post, draw up, on cap paper, and present to the teacher for approval, the drafts referred to in transactions of April 11th, 14th, 16th and 27th. See forms of drafts on pages 41, 42 and 43. In posting, if an account gets crowded for space, transfer it to a new page. See instruction (154, page 36) for transferring an account. Open Leonard's account in the middle of page 1 in your Ledger. Give personal accounts hereafter one-fourth of a page space; other accounts one-half of a page.

On May 1st Alex. Mitchell is to be admitted as a partner; you may therefore make out Balance Sheet similar to that for March. In the form of Balance Sheet given below, only a few of the amounts are extended, the student being required to complete the extensions, foot the columns and prove his results, as indicated in the Summary below. (Refer to "Guide for making Balance Sheet for March," on page 32, and also to "Trial Balance and Balance Sheet for March," on page 34.) Remember that you are to foot the accounts in your Ledger in pencil, and carry the footings to the first two columns of your Balance Sheet, and foot those columns, to ascertain whether your Ledger is in balance, before you proceed to extend the Resources, Liabilities, Losses and Gains to the other columns. Should the first two columns not foot equally—in other words, should your trial balance not prove—see note No. 2, page 26.

BALANCE SHEET, APRIL 30, 188–.

L. F.		DR. FOOTING.		CR. FOOTING.		RESOURCES.		LIABILITIES.		LOSSES.		GAINS.	
1	Student,	50		5170	34								
1	D. W. Leonard,			5170	34								
4	Mdse.	3943		1743									
5	H. W. Stevens,	398	96	435				36	04				
	Expense,	400											
	Jas. T. Hoag,												
	Moore & Collins,												
	Wells, J. & Co.												
	Bills Payable,												
	Bills Receivable,	905	30	705	30	200							
	David Bailey,												
	W. A. Bancroft,												
	Interest,	1	51		59						92		
	Discount,												
	Sickles, S. & J.												
	Clark, Sons & B.												
	College Bank,												
	Cash,												
	R. H. Barnard,												
	Beekman & O.												

SUMMARY.

Total Losses,	409	90	Student's Net Credit,	5120	34		
" Gains,			" ½ Net Loss,	204	95		
Net Loss,	409	90	" Present Worth,			4915	39
			D. W. Leonard's Net Credit,	5170	34		
			" ½ Net Loss,	204	95		
Total Resources,	11333	07					
" Liabilities,	1452	29	" Present Worth,			4965	39
Present Worth of Firm,	9880	78	Present Worth of Firm,			9880	78

NOTE.—Only the accounts showing losses and gains and the partners' accounts are to be closed. See instructions on next page.

If the accounts in your Ledger are correct, the difference between the Dr. and Cr. footings of those accounts not extended in the above Balance Sheet will be as follows: Cash, 1129.51; Wells, J. & Co., 268.75; Bills Payable, 315; Moore & C., 62.50; Bailey, 412.50; Discount, 36c.; Bank, 7083.24; Bancroft, 105; Clark, S. & B., 470.19; Sickles, S. & J., 20; Barnard, 77.50; Beekman & O., 315; Hoag, 98.75.

CLOSE ONLY THE ACCOUNTS SHOWING LOSSES AND GAINS.

After completing your Balance Sheet for April, proceed to close in the Ledger those accounts only which exhibit losses and gains, together with the Loss and Gain and Partners' accounts, in accordance with the General Rules for Closing the Ledger, on pages 35 and 36. For assistance in closing Mdse., see 145, page 35; Expense, 145, page 35; Interest, 148, page 35; Discount, 148, page 35; Loss and Gain account (for partnership), 151, page 36; Student's and Leonard's accounts, 152, page 36.

NOTE.—The debit and credit sides of your Ledger remain equal after closing the above mentioned accounts, the same as though all the accounts had been closed, since the amount entered to close an account was immediately transferred, either to the opposite side of the account closed, or of some other account. The accounts which remain unclosed show *only* Resources and Liabilities, the difference between which is the Present Worth, as exhibited by the partners' accounts.

Before proceeding with May, present your books to the teacher for approval, and be prepared to answer the following

QUESTIONS FOR REVIEW.

Page 41.—[163] What is a Draft? [164-166] What are the parties to a draft called? [167] How is the draft employed? [169-171] State the three ways of drawing drafts in reference to time. [174] What is meant by "Acceptance" when applied to drafts?

Page 42.—[191-199] Give general rule for journalizing drafts when drawn on account.

MAY 1, 188–.

Alexander Mitchell has this day been admitted as a partner in the business of Student and Leonard. The name of the new firm is to be Student, Leonard & Co. The gains and losses are to be shared as follows: Student, $\frac{2}{3}$; Leonard, $\frac{2}{3}$; and Mitchell, $\frac{1}{3}$.

"

Alex. Mitchell invests cash, 1000, and the store now occupied by the firm, valued at 3000.

"

Sold Barton & Hathaway, Binghamton, 25 bbls. Flour, @ 8.40. Rec'd in payment, cash. 100.00. Balance on ℅.

2.

54, pa. 7. 40, pa. 6. Took out Policies of Insurance of 2,000.00 on store, and 5,000.00 on contents, for one year, with A. S. Gatchell, agent. Paid premium on same in cash, 60.00.

"

47, pa. 6. 68, pa. 7. Bo't of Crouse Bro's, Syracuse, 100 bbls. Salt, @ 2.15. Accepted their draft on us, at 15 days' sight, payable at College Bank, for same.

4.

Sold Gates & Sheldon, on their note at 20 days, with interest, 50 bbls. Salt, @ 2.60.

6.

Paid H. W. Stevens, cash to balance ℅. (See note below.)

7.

Bo't of Henry D. French, Buffalo, 25 bbls. Beef, @ 14.25; 30 bbls. Pork, @ 11.50. Gave him in payment, our note at 15 days, with interest, 345.00. Balance on ℅.

9.

Rec'd cash of Moore & C., for their note of April 6, due to-day. (See note below.)

10.

Paid W. A. Bancroft's sight draft on us, by check on College Bank, 50.00.

NOTE.—Student will find it necessary, hereafter, to consult his books, to ascertain amounts left blank in the record, such as balances due on personal accounts, which will be found in the Ledger if the work has all been posted; also particulars regarding notes, which will be found in the Day Book record at the time of giving or receiving them.

INVENTORIES, APRIL 30, 188__.

NOTE.—Copy the Inventory in the form shown on page 31.

MDSE.	50 bbls. Flour, @ 7.00; 30 bbls. Sugar, 7500 lbs., @ 11⅛c.; 400 lbs. J. Coffee, @ 28c.; 1260 gals. Molasses, @ 50c.	=Total, 1926 38
EXPENSE.	Office Safe, valued 10 % below cost. 250.00—25.00=225.00. " Books, " 20 % " " 50.00—10.00= 40.00.	=Total, 265 00

NOTE.—Before proceeding to post, draw up, on cap paper, and present to the teacher for approval, the drafts referred to in transactions of April 11th, 14th, 16th and 27th. See forms of drafts on pages 41, 42 and 43. In posting, if an account gets crowded for space, transfer it to a new page. See instructions (154, page 36) for transferring an account. Open Leonard's account in the middle of page 1 in your Ledger. Give personal accounts hereafter one-fourth of a page space; other accounts one-half of a page.

On May 1st Alex. Mitchell is to be admitted as a partner; you may therefore make out Balance Sheet similar to that for March. In the form of Balance Sheet given below, only a few of the amounts are extended, the student being required to complete the extensions, foot the columns and prove his results, as indicated in the Summary below. (Refer to "Guide for making Balance Sheet for March," on page 32, and also to "Trial Balance and Balance Sheet for March," on page 34.) Remember that you are to foot the accounts in your Ledger in pencil, and carry the footings to the first two columns of your Balance Sheet, and foot those columns, to ascertain whether your Ledger is in balance, before you proceed to extend the Resources, Liabilities, Losses and Gains to the other columns. Should the first two columns not foot equally—in other words, should your trial balance not prove—see note No. 2, page 26.

BALANCE SHEET, APRIL 30, 188–.

L. F.		DR. FOOTING.		CR. FOOTING.		RESOURCES.		LIABILITIES.		LOSSES.		GAINS.	
1	Student,	50		5170	34								
1	D. W. Leonard,			5170	34								
4	Mdse.	3943		1743									
5	H. W. Stevens,	398	96	435				36	04				
	Expense.	400											
	Jas. T. Hoag,												
	Moore & Collins,												
	Wells, J. & Co.												
	Bills Payable,												
	Bills Receivable,	905	30	705	30	200							
	David Bailey,												
	W. A. Bancroft,												
	Interest,	1	51		59						92		
	Discount,												
	Sickles, S. & J.												
	Clark, Sons & B.												
	College Bank,												
	Cash,												
	R. H. Barnard,												
	Beekman & O.												

SUMMARY.

Total Losses,	409	90	Student's Net Credit,	5120	34		
" Gains,			" ½ Net Loss,	204	95		
Net Loss,	409	90	" Present Worth,			4915	39
			D. W. Leonard's Net Credit,	5170	34		
			" ½ Net Loss,	204	95		
Total Resources,	11333	07					
" Liabilities,	1452	29	" Present Worth,			4965	39
Present Worth of Firm,	9880	78	Present Worth of Firm,			9880	78

NOTE.—Only the accounts showing losses and gains and the partners' accounts are to be closed. See instructions on next page.

If the accounts in your Ledger are correct, the difference between the Dr. and Cr. footings of those accounts not extended in the above Balance Sheet will be as follows: Cash, 1129.51; Wells, J. & Co., 268.75; Bills Payable, 315; Moore & C., 62.50; Bailey, 412.50; Discount, 36c.; Bank, 7083.24; Bancroft, 105; Clark, S. & B., 470.19; Sickles, S. & J., 20; Barnard, 77.50; Beekman & O., 315; Hoag, 98.75.

CLOSE ONLY THE ACCOUNTS SHOWING LOSSES AND GAINS.

After completing your Balance Sheet for April, proceed to close in the Ledger those accounts only which exhibit losses and gains, together with the Loss and Gain and Partners' accounts, in accordance with the General Rules for Closing the Ledger, on pages 35 and 36. For assistance in closing Mdse., see 145, page 35; Expense, 145, page 35; Interest, 148, page 35; Discount, 148, page 35; Loss and Gain account (for partnership), 151, page 36; Student's and Leonard's accounts, 152, page 36.

NOTE.—The debit and credit sides of your Ledger remain equal after closing the above mentioned accounts, the same as though all the accounts had been closed, since the amount entered to close an account was immediately transferred, either to the opposite side of the account closed, or of some other account. The accounts which remain unclosed show *only* Resources and Liabilities, the difference between which is the Present Worth, as exhibited by the partners' accounts.

Before proceeding with May, present your books to the teacher for approval, and be prepared to answer the following

QUESTIONS FOR REVIEW.

Page 41.—[163] What is a Draft? [164-166] What are the parties to a draft called? [167] How is the draft employed? [169-171] State the three ways of drawing drafts in reference to time. [174] What is meant by "Acceptance" when applied to drafts?

Page 42.—[191-199] Give general rule for journalizing drafts when drawn on account.

MAY 1, 188–.

Alexander Mitchell has this day been admitted as a partner in the business of Student and Leonard. The name of the new firm is to be Student, Leonard & Co. The gains and losses are to be shared as follows: Student, $\frac{2}{3}$; Leonard, $\frac{2}{9}$; and Mitchell, $\frac{1}{9}$.

"

Alex. Mitchell invests cash, 1000, and the store now occupied by the firm, valued at 3000.

"

Sold Barton & Hathaway, Binghamton, 25 bbls. Flour, @ 8.40. Rec'd in payment, cash, 100.00. Balance on ℅.

2.

54, pa. 7. 40, pa. 6. Took out Policies of Insurance of 2,000.00 on store, and 5,000.00 on contents, for one year, with A. S. Gatchell, agent. Paid premium on same in cash, 60.00.

"

47, pa. 6. 68, pa. 7. Bo't of Crouse Bro's, Syracuse, 100 bbls. Salt, @ 2.15. Accepted their draft on us, at 15 days' sight, payable at College Bank, for same.

4.

Sold Gates & Sheldon, on their note at 20 days, with interest, 50 bbls. Salt, @ 2.60.

6.

Paid H. W. Stevens, cash to balance ℅. (See note below.)

7.

Bo't of Henry D. French, Buffalo, 25 bbls. Beef, @ 14.25; 30 bbls. Pork, @ 11.50. Gave him in payment, our note at 15 days, with interest, 345.00. Balance on ℅.

9.

Rec'd cash of Moore & C., for their note of April 6, due to-day. (See note below.)

10.

Paid W. A. Bancroft's sight draft on us, by check on College Bank, 50.00.

NOTE.—Student will find it necessary, hereafter, to consult his books, to ascertain amounts left blank in the record, such as balances due on personal accounts, which will be found in the Ledger if the work has all been posted; also particulars regarding notes, which will be found in the Day Book record at the time of giving or receiving them.

12.

110, p. 27. 112, p. 27. Deposited in College Bank cash 100.00.

14.

23, pa. 6. 54, pa. 7. 111, p. 27. Bo't a draft on New York, 200.00, at ¼ % exchange. Paid for same by check on College Bank, 200.50. Remitted draft to Beekman & Ordway, on %.

16.

Rec'd cash of Sickles, Stover & Jackson, to balance % (see note bottom page 49).

Rec'd cash of R. H. Barnard, for his note of [illegible] 23d, and interest, due to-day.

18.

Sold E. F. Sharpsteen, Elmira, 630 gals. N. O. Molasses, @ 60c.; 2500 lbs. Sugar, @ 13¼c. Rec'd in payment, his note at 60 days, indorsed by B. W. Crossman, 378.00. Balance on %. (See forms of Indorsement, page 159.)

20.

Our acceptance of 2d inst., favor Crouse Bro's, due to-day, has been charged to our % at College Bank.

"

Rec'd cash of Barton & Hathaway, to apply on %, 50.00.

21.

67, pa. 7. 76, pa. 7. 111, p. 27. Prepaid our acceptance of Apr. 26th, favor of Beekman & O., by check on College Bank. Face of acceptance, 315.00; discount to maturity, 38 days.

24.

Paid cash for permanent repairs on store, 100.00. (Debit Real Estate.)

25.

Paid our note of 7th inst., and interest on same, due to-day, in cash. Face of note, 345.00; interest to date, 18 days.

26.

Rec'd of Jas. T. Hoag, his check on Traders' Bank, to apply on %, 50.00.

"

D. W. Leonard drew from the business, for his private use, by check on College Bank, 100.00.

27.

Gates & Sheldon paid their note of 4th inst., and interest, due to-day, in cash.

28.

Sold Moore & Collins, on %, 10 bbls. Beef, @ 17.25; 10 bbls. Pork, @ 14.00.

29.

Paid Wells, J. & Co.'s draft on us, at 60 days' sight, 200.00, less discount, 63 days, by check on College Bank.

"

Sold Clark, Sons & Bradley, on %, 20 bbls. Sugar, 5000 lbs., @ 12⅞c.

30.

Bo't of David Bailey, 10 bbls. Sugar, 2500 lbs., @ 11½c. Paid him cash, 100.00; check on College Bank, 100.00. Balance on %.

31.

Paid Bookkeeper's Salary for month in cash, 75.00.

"

Deposited in College Bank, Hoag's check, rec'd 26th inst., 50.00; and cash, 1500.00.

NOTE.—You may now journalize, post and take trial balance. Should your trial balance not prove, see note No. 2, page 26. In posting, when an account balances in your Ledger, rule it up at once. Before an account becomes too much crowded for space, rule it up and transfer to a new account, as instructed in 154–155, page 36. Foot the accounts in pencil, as instructed heretofore for taking trial balance. You need not make a Balance Sheet this month, nor close any of the accounts in the Ledger. The difference between the Dr. and Cr. sides of a few of the principal accounts are here given: Wells, J. & Co., 68 75. Bills Payable, balances; Discount, 4 04; College Bank, 7556.78; Cash, 313.13; Clark, Sons & B., 1113.94· Mdse, 1124.63, Expense, 400.50; Bills Receivable, 378.00; Interest, 34c. If your trial balance proves your Ledger to be in balance, and your accounts agree with the balances given above, you may proceed with June.

JUNE 1, 188–.

110, p. 27. 75, pa. 7. 60, pa. 7. Discounted, at College Bank, Sharpsteen's note, rec'd May 18th. Discount off to maturity. Proceeds placed to our credit. (See Note No. 1, below.)

2.

Sold F. W. Warren, on ℄, 5 bbls. Sugar, 1250 lbs., @ 12½c.

"

Paid Henry D. French's sight draft on us, by check on College Bank, 200.00.

3.

Rec'd cash of Clark, Sons & Bradley, on ℄, 400.00.

5.

Sold A. & D. Farwell, Canton, 10 bbls. Beef, @ 16.25; 10 bbls. Pork, @ 13.50; 10 hhds. N. O. Molasses, 630 gals., @ 60c. Rec'd in payment, their note at 10 days, with interest, 150.00. Balance on ℄.

6.

Accepted David Bailey's draft at 20 days, favor Marsh & Co., to balance ℄.

7.

Bo't of Beekman & Ordway, on ℄, 5 hhds. N. O. Molasses, 315 gals, @ 55c.

8.

Rec'd of R. H. Barnard, his check on First National Bank, to balance ℄.

9.

Rec'd of E. F. Sharpsteen, his note at 30 days, indorsed by B. W. Crossman, on ℄, 250.00.

12.

Bo't of Henry D. French, 25 bbls. Beef, @ 14.25. Accepted his draft on us at 10 days, for 175.00. Balance on ℄.

13.

Deposited in College Bank Barnard's check, rec'd 8th inst.

14.

Sold Sickles, S. & J., 25 bbls. Flour, @ 8.25; 1250 lbs. Sugar, @ 12½c. Rec'd in payment, cash, 50.00; their note at 45 days, 75.00. Balance on ℄.

15.

Drew a draft on Barton & H., Binghamton, at 90 days, to balance their ℄. Had the draft discounted at College Bank, and rec'd credit for proceeds.

16.

Paid W. A. Bancroft, cash to balance ℄, 55.00.

NOTE No. 1.—From June 1, the day the above note is discounted, to July 20, its maturity, the time is 49 days, counting the actual number of days. The student will remember that if the time is in days, 365 days, or if the time is in months, 12 months for a year, are to be taken as a basis in computing interest and discount, unless otherwise specified.

When paper is drawn in months, the practice differs, somewhat, with places and individuals, as to the manner of finding time, and computing interest and disconnt. For the sake of uniformity and accuracy, the method explained below will be observed throughout this book. To illustrate: A note of $500, dated May 17, at 4 months, is discounted June 23. The time between June 23, the day the note is discounted, and September 20, the maturity of the note,

9 mo. 20 da.	The discount for 2 months is		5.00
6 " 23 "	" " " 27 days	"	2.22
2 mo. 27 days =			7.22

If the note to be discounted is an interest bearing note, first compute the interest upon the face of the note from the date it begins to draw interest to maturity; then add the interest to the face of the note, and compute discount upon the amount thus obtained, from the date of discounting the note to its maturity. The face, plus the interest, minus the discount, will be the proceeds of the note.

17.

59, pa. 7. 75, pa. 7. 23, pa. 6. 48, pa. 6. Sold Jas. T. Hoag, 400 lbs. J. Coffee, @ 35c.; 25 bbls. Beef, @ 16.50. Rec'd in payment, a note made by Chas. H. Fisher, in Hoag's favor, dated Mar. 25th last, at 90 ds. with interest, 275.00. Accrued interest allowed him. Balance on ℔. (See note No. 1, below.)

18.

A. & D. Farwell paid their note of 5th inst., and interest, due to-day, in cash.

Drew sight draft on F. W. Warren, Avon, and deposited in College Bank to our credit. Amount of draft, 50.00; Bank's charges for collection, 25c. Balance to our credit.

20.

Sold E. F. Sharpsteen, on ℔, 5 hhds. N. O. Molasses, 315 gals., @ 62½c.

21.

Student drew cash from the business, for his own use, 75.00.

22.

23, pa. 6. 75, pa. 7. 60, pa. 7. 111, p. 27. Paid Henry D. French, the note rec'd of Sickles, S. & J., 14th inst., 75.00. Discount to maturity allowed him. Gave him our check on College Bank, to balance his ℔. 262.99.

23.

The draft drawn on Warren, 19th inst., was to-day returned protested for non-payment. Protest fees, 1.25. Gave the Bank a check to cover draft and fees, 51.25. (See Note No. 2, below.)

24.

Accepted Beekman & Ordway's draft on us, at 30 days' sight, favor of themselves, 150.00.

25.

Rec'd cash of E. F. Sharpsteen, on ℔, 131.25.

"

Paid our acceptance of 12th inst., favor of French, by check on College Bank.

27

Deposited in College Bank, cash, 500.00.

29.

Paid our acceptance of 6th inst., favor of Marsh & Co., by check on College Bank.

30.

Paid Bookkeeper's Salary in cash, 75.00.

NOTE No. 1.—As this note has been drawing interest since March 25th, it is worth considerably more than its face at this time.

NOTE No. 2.—The fees, under some circumstances, might properly be charged to Warren's account; but in this case we charge them to Expense account.

INVENTORIES, JUNE 30, 188–.

MDSE.

50 bbls. Salt, @ 2.15; 5 bbls. Beef, @ 14.25; 10 bbls. Pork, @ 11.50. Total Mdse. Invt., ... 293 75

REAL ESTATE.

Store, owing to advance in Real Estate, estimated to be worth at present time 3500 00

EXPENSE.

Office Safe and Office Books, valued at	200 00	
Insurance, 10 months unearned premium, ...	50 00	
		250 00

Leonard and Mitchell propose to buy Student's interest in the business, and pay him cash, as his Present Worth shall show upon closing the Ledger, they assuming all the resources and liabilities of the old firm. Student agrees to the proposition, as he is desirous of engaging in the Produce and Commission business on July 1st.

You may therefore make out a Balance Sheet, showing the exact condition of the business, as heretofore instructed.

The difference between the Dr. and Cr. sides of a few of the principal accounts in your Ledger, independent of inventories, should be as follows: Bills Payable, 150.00; Discount, 41c.; Cash, 339.70; Mdse., 292.63; Expense, 477.00; Bills Receivable, 525.00; Interest, 3.82; College Bank, 7428.83.

If correct, the results exhibited by your Balance Sheet should be as follows:

SUMMARY.

Total Gains,		986	38	Student's Net Credit,	4840	39	
" Losses,		231	23	" ½ Net Gain,	302	06	
Net Gain of Firm,		755	15	" Present Worth,			5142 45
Total Resources,		14817	93	D. W. Leonard's Net Credit,	4865	39	
" Liabilities,		357	00	" ⅓ Net Gain,	302	06	
Present Worth of the Firm,		14460	93	" Present Worth,			5167 45
				Alex. Mitchell's Net Credit,	4000	00	
				" ⅓ Net Gain,	151	03	
				" Present Worth,			4151 03
				Present Worth of the Firm,			14460 93

After completing Balance Sheet, balance and rule up all of the accounts in the Ledger. (See General Rules for Closing the Ledger, page 35; also see closed Ledger, on pages 38 and 39). After completing the work, present your books to the teacher for inspection; also prepare for examination upon all the work passed over, as outlined by the following:

QUESTIONS FOR REVIEW

Page 5.—[1] What is Book-keeping? [2] The object of it? [3-4] How many methods, and what are they? [5] What are the principal books used? [6] Describe the Day Book. [7] When should the record be made in the Day Book? [8] Why? [9] Describe the Journal. [10] What is journalizing? [11] What must be the condition of the debits and credits in every journal entry? [12-13] How may the Day Book and Journal be combined? [14-15] Describe the Ledger. [16] What is an account? [17-19] How many sides has an account, and what called? [20] What is posting? [22] How many kinds of accounts in Double Entry?

Page 6.—[23-28] Give the general rules for journalizing. [29] Into what two general classes are the three kinds of accounts divided? [30] When does an account exhibit a Loss? [31] When a Gain? [32] When a Resource? [33] When a Liability? [34] Upon which side is the excess when an account shows a Resource? [34] When it shows a Loss? [35] When it shows a Gain? [35] When it shows a Liability? [36-37] Give the rule for journalizing the Proprietor's account. [38] What title is sometimes used in place of the proprietor's name? [39-40] Give the rule for Cash. [41] What is included, usually, under this title? [42] When there is any difference in this account, which side will always be greater? [43] Why? [44-45] What is the difference, and what does it show? [47-48] Give the rule for Mdse. [49] What is usually included under this title? [50] What exception to including all goods under the general heading Mdse.

Page 7.—[53] To what other accounts will the rule for Mdse. apply? [54-55] Give the rule for Expense. [56] What is usually included under this title? [57] What exceptions to including all such items under the general heading Expense? [59-60] Give the rule for Bills Receivable. [61] What is usually included under this title? [62] Which side of the account will always be greater, when there is any difference? [63] Why? [64-65] What is the difference, and what does it show? [66] When will the account balance? Why? [67-68] Give the rule for Bills Payable. [69] What is included under this title? [70] Which side of the account will always be greater, when there is any difference? [71] Why? [72-73] What is the difference, and what does it show? [74] When will the account balance? Why? [75-76] Give the rule for Interest and Discount. [77] What is Interest? [78] What is Discount? [80] To what other accounts will the rule for Interest and Discount apply?

Page 20.—[81] What is a Trial Balance? [82-84] Why does the trial balance not prove the work absolutely correct? [87-88] Explain footing the accounts for taking a trial balance. [93] When may an account be omitted from the trial balance?

Page 21.—[95] What is the character of the error, generally, when it is an even $1, $10, $100, $1000, etc.? [96-97] How could an error be made in transferring from the Ledger to the trial balance? [98] If an amount has been omitted in posting, what effect will it have upon the trial balance? [100] What if posted to the wrong side of the Ledger? [102] How may the error have been caused, if it is divisible by 9? [103-107] Explain the steps to be taken in reviewing the work, when this course is found necessary in order to detect the error. [108-109] In examining the posting, why is it necessary to place a check mark in the Ledger?

Page 27.—[110-111] Give the rule for journalizing Bank account. [112] How should the checks of other persons in your hands be treated?

Page 31.—[113] What does an Inventory generally represent? [114] What may it represent? [115] What will an inventory show in each case? [116] How is an inventory usually taken? [117] What price is generally placed upon the goods? [118] In what other way may an inventory be found?

Page 32.—[119] For what purpose is a Balance Sheet made? [120] Describe the balance sheet. [121] Into which column is the difference between the Dr. and Cr. footings of Cash extended? Why? [122] Why is the Mdse. inventory entered in the Resource column? [123-124] Explain both methods of finding the gain on Mdse. account, when there is an inventory. [125] When the Cr. side of a person's account is larger than the Dr., to which column is the difference extended? Why? [126] When the Dr. footing is the larger?

Page 33.—[128] How is the actual loss on Expense account ascertained, when there is valuable property on hand, which was originally debited to the Expense account? [129] What does the difference in the Bills Payable account show? Why? [130] In the Bills Receivable account? Why? [131] If the Cr. side of Interest or Discount is larger than the Dr., why is the difference a gain? [132] If the Dr. side is larger, why is the difference a loss? [133] What does the difference in Real Estate account show? Why? [134] In Bank account? Why?

Page 34.—What is the difference between the total gains and total losses called? (Summary; see also 135, page 33.) Give the two ways of finding the Present Worth of the proprietor. (Summary; see also 136, page 33.) When the liabilities exceed the resources, what is the difference called? (See 137, page 33.)

Page 35.—[138-139] What accounts is it necessary to close to cause the proprietor's account to show its true relation to the business? [140] Why is it not necessary, for this purpose, to close the remaining accounts? [142] In closing the Ledger, why are the personal accounts usually not closed? [144-148] How are accounts showing losses and gains having inventories, closed? [149] How if they have no inventories? [150] How are accounts showing resources and liabilities closed?

Page 36.—[151] How is the Loss and Gain account to be closed? How in case of a partnership? [152] How is the Proprietor's account to be closed? [153] In ruling, what kind of ink is to be used? [154-155] When the space assigned to an account has been filled, how is the account transferred? [156] What do red ink entries in the Ledger indicate?

Page 37.—[157-158] After the Ledger has been closed, what is shown by the balances that have been carried down below the rulings of the various accounts?

Page 40.—[159-160] In closing the accounts, why has the equality of the Ledger not been disturbed? [161-162] How do you prove the closed Ledger to be in balance?

Page 41.—[163] What is a Draft? [164-166] What are the parties called? [167] What is the advantage of the draft? [168-171] How drawn with reference to time? [172] For what are Sight Drafts presented to the Drawee? [173] Time Drafts? [174-175] What is meant by Acceptance, and how made? [176] When is it not necessary to date the acceptance? [177] When does the Drawee become legally responsible to the Payee? [178-179] How may a draft be drawn so that one of the parties shall sustain a double relation to it? [180-181] Explain the use of Bank Drafts? [182] Give Drawer's entry when he draws a draft and remits it to Payee on account. [183] When he disposes of it for cash, less discount.

Page 42.—[184] Give Drawee's entry when he accepts a draft drawn on him. [185] When he pays sight draft on him in cash. [186] When he prepays draft, less discount, instead of accepting it. [187] When he pays his acceptance at maturity. [188] Give Payee's entry when he receives time draft from Drawer on account. [189] When Drawee prepays draft, less discount, instead of accepting it. [190] When he buys draft for cash, less discount. [191-192] Give general rule for journalizing drafts when drawn on account.

NOTE.—Before proceeding with the month of July, study carefully the following explanations and examples.

SHIPMENTS.

Dr.	Cr.
[193] Shipment is debited at the time the property is shipped, for its estimated value (usually its cost), and for all expenses.	[194] Shipment is credited at the time of receiving an account sales, for the net proceeds.

[195] When property is shipped to be sold on commission, the person who ships it opens an account upon his books with "Shipment," to represent the property which has passed from his *possession*, but not from his *ownership*. [196] To distinguish different shipments, the name of the place or party is generally used with the number of the shipment, thus: "Shipment to Detroit, No. 1," "Shipment to Brown & Co., Baltimore, No. 3," etc. [197] The person who ships the property is called the "Consignor." [198] After the property has been disposed of, a statement showing the sales and all the charges is rendered to the Consignor. Such a statement is called an "Account Sales." [199] The difference between the sales and all the charges is called the "Net Proceeds." [200] After the Shipment has been credited with the net proceeds, it will show either a gain or a loss. [201] If a statement of the business were to be made before receiving an account sales, the value of the shipment would be treated as a resource inventory.

CONSIGNMENTS.

Dr.	Cr.
[202] Consignment is debited for all charges paid when the property is received, and also for all subsequent charges, and for the net proceeds at the time of rendering the account sales.	[203] Consignment is credited for all sales of property belonging to it.

[204] When property is received to be sold on commission, the party receiving it opens an account upon his books with "Consignment," to represent the property which has come into his *possession*, but not his *ownership*. [205] To distinguish different consignments, the name of the Consignor is generally used and the number of the consignment, thus: "J. D. Winslow's Consignment No. 2," etc. [206] The party who receives the property is called the "Consignee." [207] After the closing entry has been made, debiting the consignment for the final charges and net proceeds, the consignment will balance. [208] If a statement of the business were to be made before closing the consignment, and the charges upon it to the time of the statement exceeded the sales, the difference would be a resource. [209] If the sales exceeded the charges, the difference would be a liability.

EXAMPLE No. 42.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Shipped Wood & Martin, Palmyra, to be sold on our account and risk,			Ship't to W. & M., Palmyra, No. 1,	2506 25	
2000 bu. R. Wheat, @ 1.25,	2500		To Mdse.		2500
Paid insurance in cash,	6 25	2506 25	Cash,		6 25

Shipment is debited for the value of the property and also for the expense of insuring same. (See 193, page 55.)

EXAMPLE No. 43.

DAY BOOK RECORD.	JOURNAL ENTRY FOR SAME		
Rec'd an account sales of the shipment made Wood & Martin,	Cash,	2850	
Our net proceeds remitted in cash, 2850	To Ship't to W. & M., Palmyra, No. 1,		2850

Shipment is credited for the net proceeds (see 194, page 55). In this case Shipment shows a gain, the net proceeds being greater than the cost (see 200, page 55).

EXAMPLE No 44

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Shipped J. D. Welch, New Vernon, to be sold on our account and risk,			Ship't to J. D. W., New Vernon, No. 1,	1300	
500 bbls. Apples, @ 2.50,	1250		To Mdse.		1250
Paid freight in cash,	50	1300	Cash,		50

EXAMPLE No. 45.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Rec'd an account sales of the shipment made J. D. Welch,			J. D. Welch,	1225	
Our net proceeds credited,		1225	To Ship't to J. D. W., New Vernon, No. 1,		1225

In this case the Shipment shows a loss, the net proceeds being less than the cost. (See 200, page 55.)

EXAMPLE No. 46.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Rec'd from Church & Co., Toledo, to be sold on their account and risk,			Church & Co.'s Consignment No. 1,	200	
5000 bu. W. Oats.			To Cash,		200
Paid freight in cash,		200			

Consignment is debited for the charges paid on the property at the time it is received. (See 202, page 55.)

EXAMPLE No. 47.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Sold E. B. Frye, for cash, from Church & Co.'s Consignment No. 1,			Cash,	2100	
5000 bu. Oats, @ 42c.,		2100	To Church & Co.'s Con. No. 1,		2100

Consignment is credited for all sales made from it. (See 203, page 55.)

EXAMPLE No. 48.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Closed Church & Co.'s Con. No. 1, and rendered an account sales.			Church & Co.'s Consignment No. 1,	1900	
Storage, at ½c. per bu.,	25		To Storage,		25
Commission, 2 % on sales,	42		Commission,		42
Church & Co.'s net proceeds remitted in cash,	1833	1900	Cash,		1833

Consignment is debited at the time of rendering the account sales, for the charges and the net proceeds (see 202, page 55). The net proceeds of the above consignment are found by deducting all charges from the sales, as follows: (Ex. No. 46) Freight, 200; (Ex. No. 48) Storage, 25; Commission, 42; Total charges, 267. Total sales (Ex. No. 47), 2100; leaves the Net Proceeds, 1833 (see 199, page 55). The above consignment will balance, because in Ex. No. 46 it is debited 200, in Ex. No. 48 1900, and in Ex. No. 47 it is credited 2100 (see 207, page 55).

EXAMPLE No. 49.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Rec'd from H. G. Lyman, Ovid, to be sold on his account and risk,			H. G. Lyman's Consignment No. 1,	50	
1000 bu. S. Wheat,			To Cash,		50
Paid freight in cash,		50			

EXAMPLE No. 50

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Sold Boyd & Son, on a/c, at 30 days, from Lyman's Consignment No. 1,			Boyd & Son,	700	
500 bu. S. Wheat, @ 1.40,		700	To Lyman's Consignment No. 1,		700

EXAMPLE No. 51.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid cartage, in cash, on 500 bu. Wheat, sold Boyd & Son, from Lyman's Con. No. 1,		10	Lyman's Consignment No. 1,	10	
			To Cash,		10

EXAMPLE No. 52.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Sold G. E. Seney, on his note at 30 days, from Lyman's Con. No. 1,			Bills Rec'v,	435	
300 bu. S. Wheat, @ 1.45,		435	To Lyman's Consignment No. 1,		435

EXAMPLE No. 53.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Re-shipped the 200 bu. Wheat unsold of Lyman's Con. No. 1, per his instructions, to E. B. Phelps, Fairport.			Lyman's Consignment No. 1,	3 50	
			To Cash,		3 50
Paid cartage on same in cash,		3 50			

EXAMPLE No. 54.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Closed Lyman's Consignment No. 1, and rendered an account sales.			Lyman's Consignment No. 1,	1071 50	
Storage, at 1c. per bu.,	10		To Storage,		10
Commission, 2 % on sales,	22 70		Commission,		22 70
H. G. Lyman's net proceeds placed to his credit,	1038 80	1071 50	H. G. Lyman,		1038 80

The net proceeds of the above consignment are found by deducting all of the charges from the sales, as follows: (Ex. No. 49) Freight, 50; (Ex. No. 51) Cartage, 10; (Ex. No. 53) Cartage, 3.50; (Ex. No. 54) Storage, 10; Commission, 22.70; total charges, 96.20. Sales, (Ex. No. 50) 700; (Ex. No. 52) 435; total sales, 1135. Leaves the Net Proceeds, 1038.80.

NOTE.—In the Commission business, a book called the Sales book is usually kept, in which all entries relating to Consignments are made and posted directly to the Ledger. The Sales Book is not to be used in the business of the two following months, but will be explained and illustrated hereafter.

July 1, 188-

Commenced this day the Grain and Commission business					
	1				
Cash	Investment		6000		
To Student					6000
	2				
Mdse	Bought of D. Woods		900		
To Cash	2000 bu White Oats	45			900
	3				
Shipment to	Ship'd G. W. Wheeler				
Bristol No. 1.	on my [illegible] risk		455		
To Mdse	1000 bu W. Oats invcd	45			450
Cash	Paid cartage				5
	5				
Clark's Con. No. 1.	From J. B. Clark,		30		
To Cash	Clyde, on his acct.				30
	and risk,				
	500 bu Red Wheat				
	Paid freight in cash				
	7				
Cash	Received Acct. Sales		485		
To Shipment	of shipment 2nd inst.				485
to Bristol No. 1.	Net proceeds in cash				
	8				
Cash			750		
To Clark's Con.	500 bu R. Wheat	1,50			750
	8				
Mdse	1000 bu Barley		900		
To J. C. King					900

JULY 10, 188—.

Ex. 48, p. 56. Closed Clark's Con. No. 1 and rendered an a/c Sales. Storage, 1c per bu., 5.00. Commission, 2% on sales, 15.00. Net proceeds remitted to him in cash, 700.00.

"

Paid Dodge & Hardy's Bill for Office Books and Stationery in cash, 31.25.

11.

Ex. 44, p. 56. Shipped Dow & Todd, Lodi, to be sold on my account and risk, 250 bu. W. Oats, @ 45c. Paid cartage in cash, 2.00.

12

Bo't of Wm. B. Hoyt, on my note at 10 days, with interest, 3500 bu. Barley, @ 90c.

13.

Ex. 49, p. 57. Rec'd from W. J. Corning, Waterloo, to be sold on his account and risk, 1000 bu. White Wheat. Paid freight in cash, 65.00.

15.

Ex. 52, p. 57. Sold N. C. Hubbard, on his note at 5 days, from Corning's Con. No. 1, 400 bu. W. Wheat, @ 1.40.

16.

Paid J. C. King cash on a/c, 300.00.

"

Ex. 45, p. 56. Rec'd from Dow & Todd, Lodi, an Account Sales of the shipment made them 11th inst. Net proceeds to my credit, 102.75.

17.

Sold Jno. D. Mason, Richfield, on a/c, 250 bu. W. Oats, @ 50c.; 1500 bu. Barley, @ 1.00.

18.

202, p. 55. 205, p. 55. Rec'd from J. B. Clark, Clyde (2d consignment), to be sold on his account and risk, 300 bu. Red Wheat. Paid Freight in cash, 18.00.

19.

203, p. 55. Sold Rob't G. Laidlaw, on a/c, at 10 days, from Corning's Con. No. 1, 600 bu. W. Wheat, @ 1.42.

"

Ex. 54, p. 57. Closed Corning's Con. No. 1, and rendered an Account Sales. Storage, at 1c. per bu., 10.00; Commission, 2 % on sales, 28.24. W. J. Corning's net proceeds placed to his credit, 1308.76.

21.

193, p. 55. 196, p. 55. Shipped G. H. Wheeler, Bristol (2d shipment), to be sold on my account and risk, 500 bu. W. Oats, @ 45c.; 500 bu. Barley, @ 90c.

22.

208, p. 55. Sold for cash, from Clark's Con. No. 2, 100 bu. R. Wheat, @ 1.35.

23.

23, pa. 6. 60, pa. 7. N. C. Hubbard paid his note of 15th inst. in cash. Remitted the cash to W. J. Corning on a/c.

24.

Bo't of C. D. Mathews, on my note at 25 days, with interest, 3000 bu. Mixed Oats, @ 40c.

"

202, p. 55. Rec'd from Morey & Co., Richmond, to be sold on their account and risk, 800 bu. Corn. Paid Freight in cash, 60.00.

25.

Paid my note of 12th inst. in cash.

"

193, p. 55. Shipped M. & D. Fisher, Easton, to be sold on my account and risk, 2000 bu. Mixed Oats, @ 40c.; 1500 bu. Barley, @ 90c. Paid Insurance in cash, 10.75.

26.

Rec'd from G. H. Wheeler, Bristol, an Account Sales of the shipment made him 21st inst. My net proceeds remitted in cash, 798.99.

"

Rec'd cash of Dow & Todd, in full of a/c.

27.

184, p. 42. Accepted W. J. Corning's draft on me at 15 days' sight, to apply on a/c, 500.00.

29.

Sold for cash, from Clark's Con. No. 2, 100 bu. R. Wheat, @ 1.37.

30.

59, pa. 7. 24, pa. 6. Rec'd of R. G. Laidlaw, his note at 20 days, with interest, to balance a/c.

31.

Paid Rent of Warehouse for the month, 50.00, and Laborer's services in full, 25.00, in cash.

INVENTORIES, JULY 31, 188–.

MDSE.—1000 bu. Barley, @ 90c.; 1000 bu. M. Oats, @ 40c. Total,..... 1300 00
SHIPMENT to M. & D. Fisher, Easton, No. 1,..... 2160 75

NOTE.—Journalize and post. Open a *separate* account for *each* Shipment and for *each* Consignment. Give Cash account one page space; Mdse. one-half of a page; Bills Payable, Bills Receivable, Storage and Commission, one-third of a page each; all others one-fourth of a page each. After posting the month, make a Balance Sheet, and close *only* the accounts in the Ledger showing losses and gains.

In the Balance Sheet given below only a few of the extensions are made, the student being required to complete the extensions and prove his results. They should agree with the Summary given below. After you have performed this work, continue the same business through the month of August.

TRIAL BALANCE AND BALANCE SHEET, JULY 31, 188–.

L. F.		DR. FOOTING.		CR. FOOTING.		RESOURCES.		LIABILITIES.		LOSSES.		GAINS.	
	Student,			6000									
	Cash,	8408	74	5353	73								
	Mdse.												
	Ship't to G. H. W., Bristol, No. 1,	455		485								30	
	Storage,			15								15	
	Commission,			43	24							43	24
	J. C. King,												
	Expense,	106	25										
	Ship't to D. & T., Lodi, No. 1,	114	50	102	75					11	75		
	Bills Payable,												
	Bills Receivable,												
	J. D. Mason,												
	Clark's Con. No. 2,	18		272				254					
	W. J. Corning,												
	Ship't to G. H. W., Bristol, No. 2,	675		798	99								
	Morey & Co.'s Con. No. 1,	60				60							
	Interest,	6	73										
	Ship't to M. & D. F., Easton, No. 1,	2160	75			Invt. 2160	75						

SUMMARY.

Total Gains,	374 73	Student's Credit,	6000 00
" Losses,	124 73	" Net Gain,	250 00
Net Gain,	250 00	" Present Worth,	6250 00
Total Resources,	9052 76		
" Liabilities,	2802 76		
Present Worth,	6250 00		

AUGUST 1, 188–.

193, p. 55. 196, p. 55. Shipped Dow & Todd, Lodi (2d shipment), to be sold on my account and risk, 1000 bu. Barley, @ 90c. Paid cartage and insurance in cash, 25.00.

3.

Bo't for cash, 3000 bu. White Oats, @ 52c.

4.

Rec'd from J. B. Clark, Clyde (3d consignment), to be sold on his account and risk, 400 bu. Beans. Paid freight in cash, 20.00,

5.

Sold Niles & Kinnie, 800 bu. Corn (Morey & Co.'s Con. No. 1), @ 65c. Rec'd cash, 120.00. Balance on %.

"

Closed Morey & Co.'s Con. No. 1, and rendered an Account Sales. Storage, 8.00; Commission, 2 % on sales, 10.40. Morey & Co.'s net proceeds placed to their credit. (See note below.)

6.

Bo't of O. B. Delano, on my note at 60 days, 2500 bu. Barley, @ 90c.

"

Rec'd from M. & D. Fisher, Easton, an Account Sales of shipment made them July 25th. Net proceeds remitted in cash, 2258.25.

8.

Drew a sight draft on J. D. Mason, Richfield, 600.00, and paid it to J. C. King, in full of %.

"

202, p. 55. Rec'd from Benj. Beebe, Northport, to be sold on his account and risk, 1000 bu. Corn. (Memorandum only.)

9.

Sold R. G. Laidlaw, on %, at 15 days, from Clark's Con. No. 3, 100 bu. Beans, @ 3.25.

12.

Shipped to E. B. Worden, New London, to be sold on my account and risk, 1000 bu. Mixed Oats, @ 40c. Paid cartage and insurance in cash, 17.50.

13.

Ex. 53, p. 57. Re-shipped, as per instructions received from J. B. Clark, to be sold on his account and risk, the 100 bu. R. Wheat belonging to Clark's Con. No. 2, to R. D. White, Smithport. Paid Cartage in cash, 2.00.

14.

Ex. 48, p. 56. Closed J. B. Clark's Con. No. 2, and rendered an Account Sales. Storage, 6.00; Commission, 2 % on sales. Clark's net proceeds remitted to him in cash. (See also explanation under Ex. 54.)

"

Paid my acceptance of July 27th in cash.

16.

Bo't of D. Woods, 2000 bu. Mixed Oats, @ 48c. Paid him cash, 460.00, and gave him my note at 10 days, with interest, for balance.

17.

Sold for cash, from Beebe's Con. No. 1, 300 bu. Corn, @ 68c.

"

23, pa. 6. 24, pa. 6. 40, pa. 6. Rec'd of Niles & Kinnie, their note at 20 days, with interest, to balance %, 400.00. Remitted the note to Morey & Co., together with cash to balance their %.

18.

Sold Milton Forbes, on his note at 30 days, 500 bu. Mixed Oats, @ 53c.; 1000 bu. White Oats, @ 56c.

"

Rec'd from W. J. Corning, Waterloo (2d consignment), to be sold on his account and risk 3500 bu. White Wheat. Paid Freight in cash, 280.00.

NOTE.—In finding the Net Proceeds, you must remember to deduct from the sales the freight, or any other charges previously paid on the consignment, as well as the charges given above. For illustration, see Example 54, on page 57, together with the explanation given below it.

19.

203, p. 55 Sold Jno. D. Mason, on a/c, from Clark's Con. No. 3, 300 bu. Beans, @ 3.25.

"

202, p. 55. Closed Clark's Con. No. 3, and rendered an Account Sales. Storage, 8.00; Commission, 2 % on sales. J. B. Clark's net proceeds placed to his credit.

21.

Paid my note of July 24, and interest, due to-day, in cash.

"

Dow & Todd, Lodi, per my instructions, have re-shipped to Wells Bro's, Carlisle, to be sold on my account and risk, 1000 bu. Barley, shipped them 1st inst.

22.

203, p. 55. Sold for cash, from Corning's Con. No. 2, 150 bu. White Wheat, @ 1.45.

"

Rec'd cash of R. G. Laidlaw, for his note of July 30th and interest.

23.

Sold for cash, from Beebe's Con. No. 1, 700 bu. Corn, @ 68c.

"

Closed Beebe's Con. No. 1, and rendered [illegible] Account [illegible]. Storage, at 1c. per bu.; Commission, at 2 % on sales. Benj. Beebe's net proceeds [illegible]mitted in cash.

24.

Rec'd cash of R. G. Laidlaw, in full of a/c, 325.00, and remitted same to J. B. Clark, on a/c.

"

194 p. 55. Rec'd from E. B. Worden, New London, an Account Sales of shipment made him 12th inst. My net proceeds remitted in cash, 485.80.

25.

Shipped to Frank Odell, Lisbon, to be sold on my account and risk, 1500 bu. Barley, @ 90c. Paid cartage and insurance in cash, 18.38.

"

Rec'd cash of Jno. D. Mason, on a/c, 1025.00.

26.

Rec'd from Morey & Co., Richmond (2d consignment), to be sold on their account and risk, 1000 bu. Corn. Paid Freight in cash, 75.00.

27.

Paid W. J. Corning, cash to balance a/c.

"

193, p. 55. 196, p 55. Shipped to M. & D. Fisher, Easton (2d shipment), to be sold on my account and risk, 1000 bu. M. Oats, @ 48c. Paid cartage in cash, 5.00.

"

Sold J. D. Mason, 1000 bu. White Oats, @ 55c.; 500 bu. Barley, @ 1.00. Rec'd cash, 250.00. and his note at 20 days for balance.

28.

Milton Forbes prepaid his note of 18th inst. Face of note, 825.00; discount to maturity. Rec'd cash for the proceeds.

29.

Paid my note of 16th inst. and interest, due to-day, in cash.

29.

194, p. 55. Rec'd advice from M. & D. Fisher, Easton, that the 1000 bu. M. Oats shipped them 27th inst. were destroyed by fire while in transit. No insurance.

"

Sold R. G. Laidlaw, on %, from Morey & Co.'s Con. No. 2, 600 bu. Corn, @ 70c.

30.

23, pa. 6. 40, pa. 6. 194, p. 55. Rec'd from Wells Bro's, Carlisle, an Account Sales of the shipment made them on our account by Dow & Todd. Our net proceeds, 894.25, remitted by their sight draft on J. B. Clark, which we have paid to Clark, together with cash to balance his %.

"

Rec'd from Grant & Son, Salem, to be sold on their account and risk, 500 bu. R. Wheat. Paid Freight in cash, 30.00.

31.

Rec'd cash of Jno. D. Mason, in full of %.

"

Sold for cash, from Grant & Son's Con. No. 1, 200 bu. R. Wheat, @ 1.35.

"

Paid Rent of Warehouse for month in cash, 50.00.

INVENTORIES, AUGUST 31, 188–.

MDSE.—500 bu. Mixed Oats, @ 48c.; 1000 bu. White Oats, @ 52c.; 500 bu. Barley, @ 90c. Total,	1210 00
SHIPMENT to Lisbon No. 1, at cost,	1368 38

NOTE.—Journalize and post. Give new accounts one-fourth of a page space. After posting the month of August, make out a Balance Sheet and close the Ledger. Bring down the Resources and Liabilities, and prove your work. If correct, it will agree with the following:

TRIAL BALANCE OF LEDGER BALANCES, AUGUST 31, 188–.

RESOURCES		LIABILITIES.		
Cash,	5050 12	Bills Payable,		2250 00
Mdse. Inv.	1210 00	Morey & Co.'s Con. No. 2,		345 00
Bills Receivable,	800 00	Grant & Son's Con. No. 1,		240 00
Personal Accounts,	420 00	Student's Investment,	6250 00	
Corning's Con. No. 2,	62 50	" Net Loss,	174 00	
Ship't to Lisbon No. 1, Inv.	1368 38	" Present Worth,		6076 00
	8911 00			8911 00

QUESTIONS FOR REVIEW.

Page 55.—[193-194] Give the rule for journalizing Shipments. [195] Explain the meaning of shipment. [196] How are the the different shipments distinguished? [197] What is the party called who ships the property? [198] What is meant by Account Sales? [199] By Net Proceeds? [200] What will the Shipment account show after it has been credited with the net proceeds? [201] What before? [202-203] Give the rule for journalizing Consignments? [204] Explain the meaning of Consignment. [205] How are the different consignments distinguished? [206] What is the party called who receives the property? [207] When should a Consignment balance? [208-209] What would a Consignment show if it were unclosed at the time of making a Balance Sheet?

September, 188-

		Cash	To Sundries				
1st	1	Student	Investment	1000			
	1	W. T. Howard	Investment	1000			
6	2	H. W. Smith	On account	150			
12	2	Geo. R. Strong	On acct.	50			
18	1	Mdse	100 yds Matting 30 ¢	30			
20	4	Gardner & Son	On invoice	75			
20	2	Geo. R. Strong	On account	150			
22	3	Bills Rec.	H. W. Smith's note paid	150			
28	2	H. W. Smith	On invoice	175			
29	3	Bills Rec.	Wm. Graves' note paid	250			
29	4	Interest	On above		54	3030	54
						3030	54
		October, 188-					
1st		Balance (Slack in)	Cash on hand			1570	54
3		H. W. Smith	On account	100			
8		Bills Rec.	Perry & P. note prepaid	235			

STUDENT.

					188 Sept.	1	Cash,	2	1000

WM. T. HOWARD.

188 Sept.	17	Cash,	3	50	188 Sept.	1	Cash,	2	1000

MERCHANDISE.

188 Sept.	2	Howe & Rogers,	1	1030	188 Sept.	3	H. W. Smith,	1	300
"	5	James Reed & Co.,	1	700					

HOWE & ROGERS

188 Sept.	4	Cash,	3	100	188 Sept.	2	Mdse.	1	1030

September, 188-

		Sundries	To Cash				
Sept.	2	Howe & Rogers'	On account	100			
10	3	Expense	Office Books, Scranton & Co.	25			
15	2	Jas. Reed & Co.	On account	200			
17	1	H. F. Howard	On private account	50			
21	3	Expense	Coal for store	15			
25	3	Bills Pay	Acceptance favor, Harris	300			
27	2	Howe & Rogers	On acct.	730			
30	3	Expense	Student's salary	100		1520	
		Balance	Cash on hand			1510	54
						3030	54
			October, 188-				
4		Bills Pay.	Note favor Howe & R.	200			
4		Jas. Reed & Co.	On invoice	300			
8		Discount	On P. & P. note q.s.a	2			

H. W. SMITH.

188						188					
Sept.	3	Mdse.	1	300		Sept.	6	Cash,	2	150	
						"	9	Bills Rec.	1	150	

EXPENSE.

188											
Sept.	10	Cash,	3	25							

BILLS RECEIVABLE.

188						188					
Sept.	9	H. W. Smith,	1	150		Sept.	22	Cash,	2	150	

CASH.

188						188					
Sept.	30	Sundries,	2	3030	54	Sept.	30	Sundries,	3	1520	

EXAMPLE No 44

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Shipped J. D. Welch, New Vernon, to be sold on our account and risk,			Ship't to J. D. W., New Vernon, No. 1,	1300	
500 bbls. Apples, @ 2.50,	1250		To Mdse.		1250
Paid freight in cash,	50	1300	Cash,		50

EXAMPLE No. 45.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.	DR.	CR.
Rec'd an account sales of the shipment made J. D. Welch,		J. D. Welch,	1225	
Our net proceeds credited,	1225	To Ship't to J. D. W., New Vernon, No. 1,		1225

In this case the Shipment shows a loss, the net proceeds being less than the cost. (See 200, page 55.)

EXAMPLE No. 46.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.	DR.	CR.
Rec'd from Church & Co., Toledo, to be sold on their account and risk,		Church & Co.'s Consignment No. 1,	200	
5000 bu. W. Oats.		To Cash,		200
Paid freight in cash,	200			

Consignment is debited for the charges paid on the property at the time it is received. (See 202, page 55.)

EXAMPLE No. 47.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.	DR.	CR.
Sold E. B. Frye, for cash, from Church & Co.'s Consignment No. 1,		Cash,	2100	
5000 bu. Oats, @ 42c.,	2100	To Church & Co.'s Con. No. 1,		2100

Consignment is credited for all sales made from it. (See 203, page 55.)

EXAMPLE No. 48.

DAY BOOK RECORD.		JOURNAL ENTRY FOR SAME.	DR.	CR.
Closed Church & Co.'s Con. No. 1, and rendered an account sales.		Church & Co.'s Consignment No. 1,	1900	
Storage, at ½c. per bu.,	25	To Storage,		25
Commission, 2 % on sales,	42	Commission,		42
Church & Co.'s net proceeds remitted in cash,	1833	Cash,		1833

Consignment is debited at the time of rendering the account sales, for the charges and the net proceeds (see 202, page 55). The net proceeds of the above consignment are found by deducting all charges from the sales, as follows: (Ex. No. 46) Freight, 200; (Ex. No. 48) Storage, 25; Commission, 42; Total charges, 267. Total sales (Ex. No. 47), 2100; leaves the Net Proceeds, 1833 (see 199, page 55). The above consignment will balance, because in Ex. No. 46 it is debited 200, in Ex. No. 48 1900, and in Ex. No. 47 it is credited 2100 (see 207, page 55).

EXAMPLE No. 49.

DAY BOOK RECORD.	ITEMS.	TOTAL.	JOURNAL ENTRY FOR SAME.	DR.	CR.
Rec'd from H. G. Lyman, Ovid, to be sold on his account and risk,			H. G. Lyman's Consignment No. 1,	50	
1000 bu. S. Wheat,			To Cash,		50
Paid freight in cash,		50			

EXAMPLE No. 50

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Sold Boyd & Son, on %, at 30 days, from Lyman's Consignment No. 1,			Boyd & Son,	700	
500 bu. S. Wheat, @ 1.40,		700	To Lyman's Consignment No. 1,		700

EXAMPLE No. 51.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Paid cartage, in cash, on 500 bu. Wheat, sold Boyd & Son, from Lyman's Con. No. 1,		10	Lyman's Consignment No. 1,	10	
			To Cash,		10

EXAMPLE No. 52.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Sold G. E. Seney, on his note at 30 days, from Lyman's Con. No. 1,			Bills Rec'v,	435	
300 bu. S. Wheat, @ 1.45,		435	To Lyman's Consignment No. 1,		435

EXAMPLE No. 53.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Re-shipped the 200 bu. Wheat unsold of Lyman's Con. No. 1, per his instructions, to E. B. Phelps, Fairport.			Lyman's Consignment No. 1,	3 50	
			To Cash,		3 50
Paid cartage on same in cash,		3 50			

EXAMPLE No. 54.

DAY BOOK RECORD.			JOURNAL ENTRY FOR SAME.		
Closed Lyman's Consignment No. 1, and rendered an account sales.			Lyman's Consignment No. 1,	1071 50	
Storage, at 1c. per bu..	10		To Storage,		10
Commission, 2 % on sales,	22 70		Commission,		22 70
H. G. Lyman's net proceeds placed to his credit,	1038 80	1071 50	H. G. Lyman,		1038 80

The net proceeds of the above consignment are found by deducting all of the charges from the sales, as follows: (Ex. No. 49) Freight, 50; (Ex. No. 51) Cartage, 10; (Ex. No. 53) Cartage, 3.50; (Ex. No. 54) Storage, 10; Commission, 22.70; total charges, 96.20. Sales, (Ex. No. 50) 700; (Ex. No. 52) 435; total sales, 1135. Leaves the Net Proceeds, 1038.80.

NOTE.—In the Commission business, a book called the Sales book is usually kept, in which all entries relating to Consignments are made and posted directly to the Ledger. The Sales Book is not to be used in the business of the two following months, but will be explained and illustrated hereafter.

July 1, 188

Commenced this day the Grain and Commission business					
Cash	1 Investment	6000			
To Student				6000	
Mdse	2 Bought of D. Woods	900			
To Cash	2000 bu White Oats 45¢			900	
Shipment to Bristol No. 1.	3 Ship'd G. H. Wheeler on my acct and risk	455			
To Mdse	1000 bu W. Oats inv'd 45¢			450	
Cash	Paid cartage			5	
Clark's Con. No. 1	5 From J. B. Clark,	30			
To Cash	Clyde, on his acct and risk,			30	
	500 bu Red Wheat				
	Paid freight in cash				
Cash	7 Received Acct. Sales	485			
To Shipment to Bristol No. 1.	of shipment, 2nd inst.			485	
	Net proceeds in cash				
Cash	8	750			
To Clark's Con.	500 bu R. Wheat 1.50			750	
Mdse	8 1000 bu Barley	900			
To J. C. King				900	

JULY 10, 188—.

Ex. 48, p. 56. Closed Clark's Con. No. 1 and rendered an % Sales. Storage, 1c per bu., 5.00. Commission, 2% on sales, 15.00. Net proceeds remitted to him in cash, 700.00.

"

Paid Dodge & Hardy's Bill for Office Books and Stationery in cash, 31.25.

11.

Ex. 44, p. 56. Shipped Dow & Todd, Lodi, to be sold on my account and risk, 250 bu. W. Oats, @ 45c. Paid cartage in cash, 2.00.

12

Bo't of Wm. B. Hoyt, on my note at 10 days, with interest, 3500 bu. Barley, @ 90c.

13.

Ex. 49, p. 57. Rec'd from W. J. Corning, Waterloo, to be sold on his account and risk, 1000 bu. White Wheat. Paid freight in cash, 65.00.

15.

Ex. 52, p. 57. Sold N. C. Hubbard, on his note at 5 days, from Corning's Con. No. 1, 400 bu. W. Wheat, @ 1.40.

16.

Paid J. C. King cash on %, 300.00.

"

Ex. 45, p. 56. Rec'd from Dow & Todd, Lodi, an Account Sales of the shipment made them 11th inst. Net proceeds to my credit, 102.75.

17.

Sold Jno. D. Mason, Richfield, on %, 250 bu. W. Oats, @ 50c.; 1500 bu. Barley, @ 1.00.

18.

202, p. 55. 205, p. 55. Rec'd from J. B. Clark, Clyde (2d consignment), to be sold on his account and risk, 300 bu. Red Wheat. Paid Freight in cash, 18.00.

19.

203, p. 55. Sold Rob't G. Laidlaw, on %, at 10 days, from Corning's Con. No. 1, 600 bu. W. Wheat, @ 1.42.

"

Ex. 54, p. 57. Closed Corning's Con. No. 1, and rendered an Account Sales. Storage, at 1c. per bu., 10.00; Commission, 2 % on sales, 28.24. W. J. Corning's net proceeds placed to his credit, 1308.76.

21.

193, p. 55. 196, p. 55. Shipped G. H. Wheeler, Bristol (2d shipment), to be sold on my account and risk, 500 bu. W. Oats, @ 45c.; 500 bu. Barley, @ 90c.

22.

203, p. 55. Sold for cash, from Clark's Con. No. 2, 100 bu. R. Wheat, @ 1.35.

23.

23, pa. 6. 60, pa. 7. N. C. Hubbard paid his note of 15th inst. in cash. Remitted the cash to W. J. Corning on %.

24.

Bo't of C. D. Mathews, on my note at 25 days, with interest, 3000 bu. Mixed Oats, @ 40c.

"

202, p. 55. Rec'd from Morey & Co., Richmond, to be sold on their account and risk, 800 bu. Corn. Paid Freight in cash, 60.00.

25.

Paid my note of 12th inst. in cash.

"

193, p. 55. Shipped M. & D. Fisher, Easton, to be sold on my account and risk, 2000 bu. Mixed Oats, @ 40c.; 1500 bu. Barley, @ 90c. Paid Insurance in cash, 10.75.

26.

Rec'd from G. H. Wheeler, Bristol, an Account Sales of the shipment made him 21st inst. My net proceeds remitted in cash, 798.99.

"

Rec'd cash of Dow & Todd, in full of %.

27.

184, p. 42. Accepted W. J. Corning's draft on me at 15 days' sight, to apply on a/c, 500.00.

29.

Sold for cash, from Clark's Con. No. 2, 100 bu. R. Wheat, @ 1.37.

30.

59, pa. 7. 24, pa. 6. Rec'd of R. G. Laidlaw, his note at 20 days, with interest, to balance a/c.

31.

Paid Rent of Warehouse for the month, 50.00, and Laborer's services in full, 25.00, in cash.

INVENTORIES, JULY 31, 188–.

MDSE.—1000 bu. Barley, @ 90c.; 1000 bu. M. Oats, @ 40c. Total,..... 1300 00
SHIPMENT to M. & D. Fisher, Easton, No. 1,..... 2160 75

NOTE.—Journalize and post. Open a *separate* account for *each* Shipment and for *each* Consignment. Give Cash account one page space; Mdse. one-half of a page; Bills Payable, Bills Receivable, Storage and Commission, one-third of a page each; all others one-fourth of a page each. After posting the month, make a Balance Sheet, and close *only* the accounts in the Ledger showing losses and gains.

In the Balance Sheet given below only a few of the extensions are made, the student being required to complete the extensions and prove his results. They should agree with the Summary given below. After you have performed this work, continue the same business through the month of August.

TRIAL BALANCE AND BALANCE SHEET, JULY 31, 188–.

L. F.		DR. FOOTING.		CR. FOOTING.		RESOURCES.		LIABILITIES.		LOSSES.		GAINS.	
	Student,			6000									
	Cash,	8408	74	5353	73								
	Mdse.												
	Ship't to G. H. W., Bristol, No. 1,	455		485								30	
	Storage,			15								15	
	Commission,			43	24							43	24
	J. C. King,												
	Expense,	106	25										
	Ship't to D. & T., Lodi, No. 1,	114	50	102	75					11	75		
	Bills Payable,												
	Bills Receivable,												
	J. D. Mason,												
	Clark's Con. No. 2,	18		272				254					
	W. J. Corning,												
	Ship't to G. H. W., Bristol, No. 2,	675		798	99								
	Morey & Co.'s Con. No. 1,	60				60							
	Interest,	6	73										
	Ship't to M. & D. F., Easton, No. 1,	2160	75			Invt. 2160	75						

SUMMARY.

Total Gains,	374 73	Student's Credit,	6000 00
" Losses,	124 73	" Net Gain,	250 00
Net Gain,	250 00	" Present Worth,	6250 00
Total Resources,	9052 76		
" Liabilities,	2802 76		
Present Worth,	6250 00		

AUGUST 1, 188–.

193, p. 55. 196, p. 55. Shipped Dow & Todd, Lodi (2d shipment), to be sold on my account and risk, 1000 bu. Barley, @ 90c. Paid cartage and insurance in cash, 25.00.

3.

Bo't for cash, 3000 bu. White Oats, @ 52c.

4.

Rec'd from J. B. Clark, Clyde (3d consignment), to be sold on his account and risk, 400 bu. Beans. Paid freight in cash, 20.00,

5.

Sold Niles & Kinnie, 800 bu. Corn (Morey & Co.'s Con. No. 1), @ 65c. Rec'd cash, 120.00. Balance on %.

"

Closed Morey & Co.'s Con. No. 1, and rendered an Account Sales. Storage, 8.00; Commission, 2 % on sales, 10.40. Morey & Co.'s net proceeds placed to their credit. (See note below.)

6.

Bo't of O. B. Delano, on my note at 60 days, 2500 bu. Barley, @ 90c.

"

Rec'd from M. & D. Fisher, Easton, an Account Sales of shipment made them July 25th. Net proceeds remitted in cash, 2258.25.

8.

Drew a sight draft on J. D. Mason, Richfield, 600.00, and paid it to J. C. King, in full of %.

"

202, p. 55. Rec'd from Benj. Beebe, Northport, to be sold on his account and risk, 1000 bu. Corn. (Memorandum only.)

9.

Sold R. G. Laidlaw, on %, at 15 days, from Clark's Con. No. 3, 100 bu. Beans, @ 3.25.

12.

Shipped to E. B. Worden, New London, to be sold on my account and risk, 1000 bu. Mixed Oats, @ 40c. Paid cartage and insurance in cash, 17.50.

13.

Ex. 53, p. 57. Re-shipped, as per instructions received from J. B. Clark, to be sold on his account and risk, the 100 bu. R. Wheat belonging to Clark's Con. No. 2, to R. D. White, Smithport. Paid Cartage in cash, 2.00.

14.

Ex. 48, p. 56. Closed J. B. Clark's Con. No. 2, and rendered an Account Sales. Storage, 6.00; Commission, 2 % on sales. Clark's net proceeds remitted to him in cash. (See also explanation under Ex. 54.)

"

Paid my acceptance of July 27th in cash.

16.

Bo't of D. Woods, 2000 bu. Mixed Oats, @ 48c. Paid him cash, 460.00, and gave him my note at 10 days, with interest, for balance.

17.

Sold for cash, from Beebe's Con. No. 1, 300 bu. Corn, @ 68c.

"

23, pa. 6. 24, pa. 6. 40, pa. 6. Rec'd of Niles & Kinnie, their note at 20 days, with interest, to balance %, 400.00. Remitted the note to Morey & Co., together with cash to balance their %.

18.

Sold Milton Forbes, on his note at 30 days, 500 bu. Mixed Oats, @ 53c.; 1000 bu. White Oats, @ 56c.

"

Rec'd from W. J. Corning, Waterloo (2d consignment), to be sold on his account and risk 3500 bu. White Wheat. Paid Freight in cash, 280.00.

NOTE.—In finding the Net Proceeds, you must remember to deduct from the sales the freight, or any other charges previously paid on the consignment, as well as the charges given above. For illustration, see Example 54, on page 57, together with the explanation given below it.

19.

203, p. 55 Sold Jno. D. Mason, on %, from Clark's Con. No. 3, 300 bu. Beans, @ 3.25.

"

202, p. 55. Closed Clark's Con. No. 3, and rendered an Account Sales. Storage, 8.00; Commission, 2 % on sales. J. B. Clark's net proceeds placed to his credit.

21.

Paid my note of July 24, and interest, due to-day, in cash.

"

Dow & Todd, Lodi, per my instructions, have re-shipped to Wells Bro's, Carlisle, to be sold on my account and risk, 1000 bu. Barley, shipped them 1st inst.

22.

203, p. 55. Sold for cash, from Corning's Con. No. 2, 150 bu. White Wheat, @ 1.45.

"

Rec'd cash of R. G. Laidlaw, for his note of July 30th and interest.

23.

Sold for cash, from Beebe's Con. No. 1, 700 bu. Corn, @ 68c.

"

Closed Beebe's Con. No. 1, and rendered [illegible]ccount [illegible]. Storage, at 1c. per bu.; Commission, at 2 % on sales. Benj. Beebe's net proceeds [illegible]mitted in cash.

24.

Rec'd cash of R. G. Laidlaw, in full of %, 325.00, and remitted same to J. B. Clark, on %.

"

194 p. 55. Rec'd from E. B. Worden, New London, an Account Sales of shipment made him 12th inst. My net proceeds remitted in cash, 485.80.

25.

Shipped to Frank Odell, Lisbon, to be sold on my account and risk, 1500 bu. Barley, @ 90c. Paid cartage and insurance in cash, 18.38.

"

Rec'd cash of Jno. D. Mason, on %, 1025.00.

26.

Rec'd from Morey & Co., Richmond (2d consignment), to be sold on their account and risk, 1000 bu. Corn. Paid Freight in cash, 75.00.

27.

Paid W. J. Corning, cash to balance %.

"

193, p. 55. 196, p 55. Shipped to M. & D. Fisher, Easton (2d shipment), to be sold on my account and risk, 1000 bu. M. Oats, @ 48c. Paid cartage in cash, 5.00.

"

Sold J. D. Mason, 1000 bu. White Oats, @ 55c.; 500 bu. Barley, @ 1.00. Rec'd cash, 250.00, and his note at 20 days for balance.

28.

Milton Forbes prepaid his note of 18th inst. Face of note, 825.00; discount to maturity. Rec'd cash for the proceeds.

29.

Paid my note of 16th inst. and interest, due to-day, in cash.

29.

194, p. 55. Rec'd advice from M. & D. Fisher, Easton, that the 1000 bu. M. Oats shipped them 27th inst. were destroyed by fire while in transit. No insurance.

"

Sold R. G. Laidlaw, on %, from Morey & Co.'s Con. No. 2, 600 bu. Corn, @ 70c.

30.

23, pa. 6. 40, pa. 6. 194, p. 55. Rec'd from Wells Bro's, Carlisle, an Account Sales of the shipment made them on our account by Dow & Todd. Our net proceeds, 894.25, remitted by their sight draft on J. B. Clark, which we have paid to Clark, together with cash to balance his %.

"

Rec'd from Grant & Son, Salem, to be sold on their account and risk, 500 bu. R. Wheat. Paid Freight in cash, 30.00.

31.

Rec'd cash of Jno. D. Mason, in full of %.

"

Sold for cash, from Grant & Son's Con. No. 1, 200 bu. R. Wheat, @ 1.35.

"

Paid Rent of Warehouse for month in cash, 50.00.

INVENTORIES, AUGUST 31, 188–.

MDSE.—500 bu. Mixed Oats, @ 48c.; 1000 bu. White Oats, @ 52c.; 500 bu. Barley, @ 90c. Total,	1210 00
SHIPMENT to Lisbon No. 1, at cost,	1368 38

NOTE.—Journalize and post. Give new accounts one-fourth of a page space. After posting the month of August, make out a Balance Sheet and close the Ledger. Bring down the Resources and Liabilities, and prove your work. If correct, it will agree with the following:

TRIAL BALANCE OF LEDGER BALANCES, AUGUST 31, 188–.

RESOURCES		LIABILITIES.		
Cash,	5050 12	Bills Payable,		2250 00
Mdse. Inv.	1210 00	Morey & Co.'s Con. No. 2,		345 00
Bills Receivable,	800 00	Grant & Son's Con. No. 1,		240 00
Personal Accounts,	420 00	Student's Investment,	6250 00	
Corning's Con. No. 2,	62 50	" Net Loss,	174 00	
Ship't to Lisbon No. 1, Inv.	1368 38	" Present Worth,		6076 00
	8911 00			8911 00

QUESTIONS FOR REVIEW.

Page 55.—[193-194] Give the rule for journalizing Shipments. [195] Explain the meaning of shipment. [196] How are the the different shipments distinguished? [197] What is the party called who ships the property? [198] What is meant by Account Sales? [199] By Net Proceeds? [200] What will the Shipment account show after it has been credited with the net proceeds? [201] What before? [202-203] Give the rule for journalizing Consignments? [204] Explain the meaning of Consignment. [205] How are the different consignments distinguished? [206] What is the party called who receives the property? [207] When should a Consignment balance? [208-209] What would a Consignment show if it were unclosed at the time of making a Balance Sheet?

September, 188-

		Cash	To Sundries				
1st	1	Student	Investment		1000		
	1	W. T. Howard	Investment		1000		
6	2	H. W. Smith	On account		150		
12	2	Geo. R. Strong	On acct.		50		
18	1	Mdse	100 yds Matting	30 ¢	30		
20	4	Gardner & Son	On invoice		75		
20	2	Geo. R. Strong	On account		150		
22	5	Bills Rec.	H. W. Smith's note paid		150		
25	2	H. W. Smith	On invoice		175		
29	3	Bills Rec.	Wm. Graves' note paid		250		
29	4	Interest	On above			54	3030 54
							3030 54
		October, 188-					
1st		Balance (Stock in Co.)	Cash on hand				1570 54
3		H. W. Smith	On account		100		
8		Bills Rec.	Perry & P. note prepaid		235		

STUDENT.

					188 Sept.	1	Cash,	2	1000

WM. T. HOWARD.

188 Sept.	17	Cash,	3	50	188 Sept.	1	Cash,	2	1000	

MERCHANDISE

188 Sept.	2	Howe & Rogers,	1	1030	188 Sept.	3	H. W. Smith,	1	300	
"	5	James Reed & Co.,	1	700						

HOWE & ROGERS

188 Sept.	4	Cash,	3	100	188 Sept.	2	Mdse.	1	1030	

September, 188-

		Sundries	To Cash				
Aug.	2	Howe & Rogers'	On account	100			
10	3	Expense	Office Books, Scranton & Co.	25			
15	2	Jas. Reed & Co.	On account	200			
17	1	W. T. Howard	On private account	50			
21	3	Expense	Coal for store	15			
25	3	Bills Pay	Acceptance favor, Harris	300			
27	2	Howe & Rogers	On acct.	730			
30	3	Expense	Student's salary	100		1520	
		Balance	Cash on hand			1510	54
						3030	54
			October, 188-				
4		Bills Pay.	Note favor Howe & R.	200			
4		Jas. Reed & Co.	On invoice	300			
8		Discount	On P. & P. note q.s.o.	2			

H. W. SMITH.

188 Sept.	3	Mdse.	1	300		188 Sept.	6	Cash,	2	150	
						"	9	Bills Rec.	1	150	

EXPENSE.

188 Sept.	10	Cash,	3	25							

BILLS RECEIVABLE.

188 Sept.	9	H. W. Smith,	1	150		188 Sept.	22	Cash,	2	150	

CASH.

188 Sept.	30	Sundries,	2	3030	54	188 Sept.	30	Sundries,	3	1520	

BILLS PAYABLE.

No.	When Given	Drawer or Endorser	Drawee or Maker	In whose favor	For what given	Where Payable	Date Year	Date Month	Time	When Due Year	When Due Month	Amount	When and How Disposed of
1	Sept 11		Students & Co	Howe & Rogers	On acct	Curr. office	18—	Sept 11	20 ds	18—	11	200	
2	" 19	Jas. Reed & Co	"	O. D. Harris	"	"	18—	" 19	3 ds	18—	25	300	Sept 25 Paid
3	" 30		"	Jas. Reed & Co	"	"	18—	" 30	10 ds	18—	13	Int. 300	

BILLS RECEIVABLE.

No.	When Rec'd	Drawer or Endorser	Drawee or Maker	In whose favor	For what received	Where Payable	Date Year	Date Month	Time	When Due Year	When Due Month	Amount	When and How Disposed of
1	Sept 9		W. W. Smith	Students & Co	On acct	Traders Bk.	18—	Sept 9	10 ds	18—	22	150	
2	" 16		W. Graves	"	Mdse	Farmers "	18—	" 16	10 ds	18—	29	Int. 250	Sept 29 Paid
3	" 26	Henry T. French	Perry & P	"	Full of acct	4th Nat. "	18—	" 26	60 ds	18—	28	235	

SEPTEMBER 1, 188–. (See Notes 1 and 2 at bottom of page.)

Student and Wm. T. Howard have this day formed a co-partnership, under the firm name of Student & Co., for the purpose of conducting the Carpet business. The partners are to invest equal amounts, and share equally in gains and losses.

In consideration of extra services, Student is to be paid by the firm a salary of one hundred dollars per month.

NOTE.—Make a memorandum of the above in your Journal.

Student and Wm. T. Howard have each paid in 1000.00 cash, the amount to be invested as stipulated in the co-partnership articles this day executed. (C. B.)

NOTE.—Make these entries on the *left* side of the Cash Book, which debits Cash and credits Student and Wm. T. Howard.

In opening your Cash Book, leave the first page blank and commence on the second page, so that the receipts and disbursements will appear on opposite pages. See Cash Book form on pages 64 and 65.

2.

Bought of Howe & Rogers, New York, on %, 200 yds. Moquettes, @ 1.50; 300 yds. Body Brussels, @ 1.35; 500 yds. Ingrain, @ 65c. (J.)

3.

Sold H. W. Smith, on %, [illegible] yds. Body Brussels @ 1.50. (J.)

4.

Paid Howe & Rogers, cash to [illegible] on [illegible]00.00 [illegible]. B.)

NOTE.—Make this entry on the *right* [illegible] of [illegible] which credits Cash and debits Howe & Rogers. See Cash Book, on page 65.

5.

Bought of Jas. Reed & Co., Boston, [illegible], 500 yds. Tapestry Brussels, @ 90c.; 1000 yds. Matting, @ 25c. (J.)

6.

Received cash of H. W. Smith, on %, 150.00. (C. B.)

NOTE.—Make this entry on the *left* side of the Cash Book.

8.

Sold Geo. R. Strong, on %, 200 yds. Tapestry Brussels, @ 1.00. (J.)

9.

Received of H. W. Smith, to balance %, his note at 10 days, payable at Traders Bank, 150.00. (J. and B. B.)

NOTE.—Make entry also in Bill Book. See form of B. B. on page 66; also, note No. 2 below.

10.

Paid Scrantom & Co.'s bill for Office Books in cash, 25.00. (C. B.)

NOTE.—Make the entry on the *right* side of the Cash Book, which credits Cash and debits Expense.

NOTE No. 1.—In this set a Cash Book (see form on pages 64 and 65) is to be kept as a principal book, that is, all cash entries are to be made in the Cash Book and posted directly from that book to the Ledger without being carried to the Journal. Whenever cash is received, enter the amount on the *left* or debit side of the Cash Book, giving the title of the account to be credited in posting, and an appropriate explanation; whenever cash is paid out, enter the amount on the *right*, or credit side of the Cash Book, giving the title of the account to be debited in posting, and an appropriate explanation. The difference between the sides of the Cash Book should exhibit at any time the cash on hand. In business it is customary to prove the cash every day, that is, ascertain whether the cash on hand agrees with the balance as shown by the Cash Book.

NOTE No. 2.—An auxiliary book, called the Bill Book, is also to be kept, to show the particulars regarding the Bills Payable and Bills Receivable which you issue and receive. The form shown on page 66 is arranged for both notes and drafts. The Drawer of a draft and the Endorser of a note sustain substantially the same relation to the paper; both are therefore entered in one column. The same is true also of the Drawee of a draft and the Maker of a note. Three days of grace are always to be added in giving the maturity of paper. As soon as you have made an entry in the Journal for a Bills Payable issued or Bills Receivable received, turn at once to the Bill Book and enter it there also. When a Bill has been paid, or disposed of in any manner, state the fact in the proper column in the Bill Book.

11.

Gave Howe & Rogers our note at 20 days, payable at our office, to apply on %, 200.00. (J and B. B.)

12.

Received cash of Geo. R. Strong, on %, 50.00. (C. B.)

13.

Sold Perry & Powers, on %, 100 yds. Moquettes, @ 1.75; 200 yds. Matting, @ 30c. (J.)

15.

Paid Jas. Reed & Co., Cash on %, 300.00. (C. B.)

16.

Sold Wm. Graves, on his note at 10 days, payable at Farmers' Bank, with interest, 100 yds. Body Brussels, @ 1.50; 100 yds. Tapestry Brussels, @ 1.00. (J. and B.)

17.

Wm. T. Howard drew cash from the business for private use, 50.00. (C. B.)

18.

Sold for cash, 100 yds. Matting, @ 30c. (C. B.)

NOTE.—Make entry on *left* side of Cash Book, which debits Cash and credits Merchandise.

19.

Accepted Jas. Reed & Co.'s (Boston), draft on us, favor O. D. Harris, at 3 days' sight, payable at our office, to apply on %, 300.00. (J. and B. B.)

20.

Received cash of Geo. R. Strong, in full of %, 150.00.

"

Sold Gardner & Son, 100 yds. Tapestry Brussels, @ 1.00; 300 yds. Matting, @ 30c. Received cash, 75.00. Balance on %. (J. and C. B.)

NOTE.—Debit Gardner & Son with the full amount of the invoice in the Journal and credit them in the Cash Book for the amount paid.

22.

Received cash of H. W. Smith, for his note of 9th inst., due to-day, 150.00. (C. B.)

NOTE.—Mark the note paid in B. B.

23.

Bought of Howe & Rogers, on %, 400 yds. Body Brussels, @ 1.35; 300 yds. Moquettes, @ 1.50.

24.

Paid cash for Coal for use in store, 15.00.

"

Sold Geo. R. Strong, on %, 300 yds. Ingrain, @ 75c.; 200 yds. Moquettes, @ 1.75; 100 yds. Tapestry Brussels, @ 1.00.

25.

Paid our acceptance of 19th inst., favor O. D. Harris, due to-day, in cash. (C. B.)

26.

Received of Perry & Powers, their note at 60 days, indorsed by Henry T. French, payable at Fourth National Bank, in full for invoice 13th inst., 235.00.

27

Paid Howe & Rogers, cash on %, 730.00.

"

Sold H. W. Smith, 100 yds. Moquettes, @ 1.75; 200 yds. Body Brussels, @ 1.50. Received cash, 175.00. Balance on %.

29.

Received cash of Wm. Graves, for his note of 16th inst., due to-day, 250.00, and 13 days interest on same, 54c. (See note below.)

NOTE.—For the purpose of illustrating both methods of computing interest and discount, the one in general use in business will hereafter be employed, viz: 360 days, or 12 months of 30 days each, will be considered a year, and taken as a basis of computation. The Student is recommended to use the 6 per cent. or short method of working interest and discount.

30.

Gave Jas. Reed & Co. our note at 10 days, with interest, payable at our office, to balance %, 200.00.

"

Paid ——— (Student), his salary for extra services for month, in cash, 100.00.

INVENTORIES, SEPTEMBER 30, 188–.

RESOURCE.

MDSE.—Goods in stock, per Inventory Book. 650 00

LIABILITY.

EXPENSE.—Rent unpaid for month of September, ... 100 00

You will now balance your Cash Book (see Cash Book form on pages 64 and 65), post, make balance sheet, and close the accounts, showing losses and gains.

Post from the Journal, as heretofore, entering the explanations in the Ledger accounts, using for explanation the opposite title in the Journal entry when there is but one, and the expression "Sundries" when there is more than one, as illustrated on pages 64 and 65. Check the posting in Journal and Cash Book, by using the Ledger page instead of the check-mark as heretofore. Give Merchandise, Bills Receivable and Bills Payable, each one-half of a page space; all other accounts, one-fourth of a page each.

In posting from the Cash Book, *credit* all items on the *left* side to the various accounts to which they belong, and *debit* Cash account with the footing of these items. To illustrate: credit Student 1000; credit Wm. T. Howard, 1000; credit H. W. Smith, 150; and so on until all of the items on the left side of the Cash Book have been credited; then debit Cash account with the footing of these items, 3030.54. Next *debit* all items on the *right* side of the Cash Book, and credit Cash with the footing of these items. To illustrate: debit Howe & Rogers, 100; debit Expense, 25; debit Jas. Reed & Co., 200, and so on until all the items on this side have been debited, then credit Cash account with the total, 1520. As will readily be seen, the equality of the sides of the Ledger is thus preserved. The entries should be posted from the Journal and Cash Book in the *order of the dates*, to have them appear in the proper order in the Ledger.

After the posting is completed your Ledger should exhibit the following balances:

CREDIT BALANCES.

Student, 1000.00; Howard, 950.00; Howe & Rogers, 990.00; Bills Payable, 400.00; Interest, 54c.

DEBIT BALANCES.

Merchandise, 365.00; H. W. Smith, 300.00; Geo. R. Strong, 675.00; Bills Receivable, 235.00; Expense, 140.00; Gardner & Son, 115.00; Cash, 1510.54.

NET GAIN FOR THE MONTH, 45.54.

OCTOBER 1, 188–.

Purchased of Wm. T. Howard, his interest in the business as shown by his present worth. Gave him in full payment my note at 2 mos., indorsed by C. N. Benton, 972.77.

2.

Sold Samuel Beach, on his note at 10 days, with interest, payable at Merchants' Bank, 100 yds. Body Brussels, @ 1.50; 200 yds. Matting, @ 30c.; 100 yds. Moquettes, @ 1.75.

3.

Received cash of H. W. Smith, on %, 100.00.

4.

Paid note favor Howe & Rogers, due to-day, in cash.

"

Bought of Jas. Reed & Co., 400 yds. Tapestry, @ 90c.; 300 yds. Moquettes, @ 1.50; 1000 yds. Lining, @ 10c. Paid cash on above, 300.00. Balance on %.

NOTE.—Credit Jas. Reed & Co. in Journal for full amount, and debit them in Cash Book for the cash paid.

6.

Gave Howe & Rogers, my note at 30 days, to apply on a/c, 500.00.

7.

Sold H. W. Smith, on a/c, 100 yds. Moquettes, @ 1.75; 500 yds. Lining, @ 12½c.

8.

Perry & Powers prepaid their note of 26th ult., 235.00, in cash, less discount to maturity, 51 days, 2.00.

NOTE.—On the *left* side of the Cash Book credit Bills Receivable 235.00, which debits Cash 235.00, and on the *right* side of the Cash Book debit Discount, 2.00, which credits Cash 2.00; this leaves the net debit to Cash the difference between the two amounts, the same as though made in the ordinary Journal entry form.

9.

Received of Geo. R. Strong, his note at 60 days, payable at City Bank, in full of a/c, 675.00.

10.

Received cash of Gardner & Son, on a/c, [illegible].00.

11.

Sold Perry & Powers, on a/c, 200 yds. Tapestry Brussels, @ 1.00; 100 yds. Moquettes, @ 1.75; 200 yds. Lining, @ 12½c.

13.

Paid my note, favor Jas. Reed & Co., due to-day, and interest on same, in cash.

14.

Bought of Clark, Medford & Co., Philadelphia, on a/c, 300 yds. Moquettes, @ 1.50; 600 yds. Body Brussels, @ 1.35.

15.

Received cash of Samuel Beach, for his note and interest due to-day.

16.

Paid Howe & Rogers, cash on a/c, 490.00.

17.

Received of H. W. Smith, his note at 10 days, payable at Traders Bank, to apply on a/c, 200.00.

18.

Paid rent of store for September and October, in cash, 200.00.

20.

Accepted Jas. Reed & Co.'s draft at 3 days' sight, favor O. D. Harris, to apply on a/c, 300.00.

21.

Sold Richmond & Bro., on a/c, 300 yds. Body Brussels, @ 1.50; 200 yds. Ingrain, @ 75c.

22.

Received cash of Gardner & Son, in full of a/c, 65.00.

23.

Geo. R. Strong prepaid his note of 9th inst., in cash, less discount.

24.

Sold for cash, 50 yds. Body Brussels, @ 1.50.

25.

Bought of Jas. Reed & Co., on a/c, 200 yds. Moquettes, @ 1.50; 500 yds. Tapestry Brussels, @ 90c.

26.

Paid acceptance, favor O. D. Harris, due to-day, in cash.

28.

Received of Richmond & Bro. (Springville), to apply on a/c, their draft in my favor, at 30 days' sight, on Chas. T. Webber, which he has accepted, payable at Corning & Co.'s Bank, 300.00.

29.

Sold Gardner & Son, on a/c, 350 yds. Body Brussels, @ 1.50; 200 yds. Moquettes, @ 1.75; 200 yds. Matting, @ 30c.

29.

Paid Clark, Medford & Co., cash on ✍, 600. 00.

30.

Prepaid my note 6th inst, favor Howe & Rogers, in cash, less discount.

"

Received cash of H. W. Smith, for his note due to-day.

31.

Paid clerk's salaries in cash, 100.00.

INVENTORY, OCTOBER 31, 188–.

MDSE.—Goods in stock per Inventory Book, ... 1260 00

You may now balance the Cash Book, post, make out balance sheet, and close the Ledger. The Summary of your Balance Sheet should agree with the following:

SUMMARY.

Total Gains,	322 90	Student's Net Credit,	1022 77
" Losses,	206 76	" " Gain,	116 14
Net Gain,	116 14		
Total Resources,	3831 68		
" Liabilities,	2692 77		
Present Worth,	1138 91	Present Worth,	1138 91

CHECK BOOK. (Nov. and Dec.)

Nov. 1, Deposited, 4000

No. 1.
Date, Nov. 4.
To Briggs & Son.
For Office Safe.
Am't, 225
3775

Nov. 11, Deposited, 300
4075

No. 2.
Date, Nov. 13.
To Geo. B. Whitney,
For Private Acct.
Am't, 200
3875

Nov. 15, our acceptance, favor C. C. & Co., paid, 300
3575

No. 3.
Date, Nov. 19.
To F. C. Bank.
For Draft and Exchge
Am't, 200 50
3374 50

No. 1. Medina, Nov. 4, 1886.

FLOUR CITY BANK,
OF MEDINA.

Pay to Briggs & Son, or Order,
Two Hundred Twenty-five ..... Dollars.
$ 225.00. Student & Co.

No. 2. Medina, Nov. 13, 188/.

FLOUR CITY BANK,
OF MEDINA.

Pay to Geo. B. Whitney, or Order,
Two Hundred ..... Dollars.
$ 200.00. Student & Co.

No. 3 Medina, Nov. 19, 188/.

FLOUR CITY BANK,
OF MEDINA.

Pay to Draft (200) and Exchange (50c.) or Order,
Two Hundred $\frac{50}{100}$ ..... Dollars.
$ 200$\frac{50}{100}$. Student & Co.

SALES BOOK.

NOVEMBER 2, 188–.

L. F.						
3	E. Langworthy, Marcellus.					
	2 doz. Carpet Stretchers,	3.	6			
	10 Grindstones,	2.50	25			
	2 doz. C. S. Augers,	7.25	14	50		
	25 Kegs Cut Nails, 2500 lbs.,	4c.	100		145	50
	"					
3	L. B. Mason, City.					
	3 U. Clothes Wringers,	6.25	18	75		
	5 Grindstones,	2.50	12	50		
	1 doz. Steelyards,	10.50	10	50	41	75
	5.					
4	Barber & Swift, Georgetown.					
	10 B. Drills,	7.25	72	50		
	5 doz. P. G. Coal Hods,	15.	75			
	2 " C. S. Augers,	7.25	14	50		
	3 " W. Wrenches,	14.75	44	25		
	7 " Carpet Stretchers,	3.00	21		227	25
	6					
4	C. B. Shafer, Gasport.					
	10 Kegs Cut Nails, 1000 lbs.,	4c.	40			
	2 U. Clothes Wringers,	6.25	12	50		
	3 doz. C. S. Augers,	7.25	21	75		
	7 " Carpet Stretchers,	3.	21			
	2 " W. Wrenches,	14.75	29	50		
	10 " C. S. Axes,	15.	150		274	75
	11.					
3	E. Langworthy.					
	10 Grindstones,	2.50	25			
	3 U. Clothes Wringers,	6.25	18	75		
	5 doz. Carpet Stretchers,	3.	15		58	75
	13.					
3	L. B. Mason.					
	8 doz. Carpet Stretchers,	3.	24			
	10 Kegs Cut Nails, 1000 lbs.,	4c.	40			
	4 doz. C. S. Augers,	7.25	29			
	10 " C. S. Axes,	15.	150		243	
	"					
4	C. B. Shafer.					
	30 Kegs Cut Nails, 3000 lbs.,	4c.	120			
	5 doz. P. G. Coal Hods,	15.	75			
	5 B. Drills,	7.25	36	25	231	25
	Forward,				1222	25

PRICE LISTS FOR NOVEMBER AND DECEMBER.

Buying.			Selling.	Buying.			Selling.
6.00	Blacksmith Drills,	each,	7.25	4.75	Copying Presses,	each,	6.00
12½c.	Babbit Metal,	per lb.	15c.	1.60	Grindstones,	each,	2.50
2.00	Barn Door Hangers,	per pair,	2.75	7.50	Ice Cream Freezers,	each,	9.50
3⅛c.	Cut Nails,	per lb.	4c.	12.25	Plain Galv'd Coal Hods,	per doz.	15.00
5.50	Cast Steel Augers,	per doz.	7.25	85c.	R. H. Bread Knives,	"	1.50
2.40	Carpet Stretchers,	per doz.	3.00	8.00	Steelyards,	"	10.50
8.10	Cow Bells,	per doz.	9.50	5.00	Universal Clothes Wringers,	each,	6.25
12.00	Cast Steel Axes,	per doz.	15.00	12.75	Wrought Wrenches,	per doz.	14.75

NOTE TO THE TEACHER.—If desired, the months of Nov. and Dec. may be used as a primary business practice set, employing representative currency, writing all business papers and documents, and actually performing the business connected with the transactions as outlined in the memoranda. To secure independent work, a special discount upon the above lists, either in buying or selling, or both, may be assigned to each pupil, thus producing results unlike those of other pupils.

NOVEMBER 1, 188—

Student and Geo. D. Whitney have this day formed a co-partnership, under the firm name of Student & Co., and have leased of H. N. Smith the store No. 1466 Main Street, at 1200.00 per year, for the purpose of carrying on the Hardware business.

Geo. D. Whitney is to furnish a cash capital of 5000.00, and Student is to conduct the business. The gains and losses are to be shared equally.

"

Receive of Geo. D. Whitney the 5000.00 cash investment as per co-partnership agreement. (C. B.)

"

Open an account at Flour City Bank, and deposit cash, 4000.00. (Ck. B. See note No. 2 below.)

NOTE.—Make this entry only in the Check Book. See form of Check Book on page 71. In case the pupil is not provided with a Check Book, the record for the stub may be kept upon a sheet of paper properly ruled.

"

Buy of Hemingway & Selden, City, on ℅, 75 kegs Cut Nails, 7500 lbs.; 50 Grindstones; 10 doz. C. S. Augers; 48 U. C. Wringers; 5 doz. Steelyards; 25 doz. Carpet Stretchers. (J.)

2

Sell E. Langworthy, Marcellus, on ℅, 2 doz. Carpet Stretchers; 10 Grindstones; 2 doz. C. S. Augers; 25 kegs Cut Nails, 2500 lbs. (S. B.)

NOTE.—Make this entry only in the Sales Book, as explained in Note No. 1 below.

"

Order by letter, of E. Corning & Co., Albany, on ℅, the following goods, to be shipped via N. Y. C. & H. R. R. R.: 25 B. Drills; 25 doz. P. G. Coal Hods; 10 doz. Carpet Stretchers; 5 doz. C. S. Augers; 20 doz. C. S. Axes; 5 doz. W. Wrenches. (Memorandum.)

NOTE.—Simply write the letter, ordering the goods as above. No entry is to be made until the goods are received

"

Give Hemingway & Selden, to apply on ℅, your note at 15 days, payable at F. C. Bank, with interest, 500.00. (J. and B. B.)

"

Sell L. B. Mason, City, on ℅, 3 U. C. Wringers; 5 Grindstones; 1 doz. Steelyards. (S. B.)

4.

Buy of Briggs & Son, a Safe for the office, and pay for same by check on F. C. Bank, 225.00. (Ck. B. and C. B.)

5.

Receive the goods ordered of Corning & Co., 2nd inst. (J.)

"

Sell Barber & Swift, Georgetown, on ℅, 10 B. Drills; 5 doz. P. G. Coal Hods; 2 doz. C. S. Augers; 3 doz. W. Wrenches; 7 doz. C. Stretchers. (S. B.)

NOTE No. 1.—In addition to the Journal and Cash Book, a Sales Book is to be kept in this set, as a principal book, all sales of merchandise being entered in the Sales Book only.

In posting from the Sales Book, each person is to be debited with the amount of his invoice, and Merchandise account is to be credited with the total sales at the end of the month. (See form of Sales Book on page 72.)

The use of the Bill Book as an auxiliary book is to be continued.

NOTE No. 2.—In this set, the bank account is not to be kept in the Ledger, but upon the stub of the Check Book, and money in the bank is to be treated as cash on hand.

When money is deposited, therefore, an entry is not to be made in the Cash Book, only in the Check Book, adding the amount of the deposit to the previous balance.

When money is paid out by check, however, the amount is not only to be deducted from the previous balance in the Check Book, but an entry must also be made in the Cash Book, because our cash (or its equivalent, our bank balance) has been reduced. See form of Check Book on page 71.

NOTE No. 3.—All of the business papers in this set, such as invoices, letters, telegrams, notes, checks, deposit tickets, drafts, receipts, orders, etc., should be written by the pupil, as he comes to them, in the memoranda.

Specimens of these forms will be found on the last pages of the text book.

6.

Receive of E. Langworthy, to apply on a/c, his note at 20 days, payable at Commercial Bank, Marcellus, 100.00. Leave the note at F. C. Bank, for collection. (J. and B. B.)

NOTE.—In the Remarks column in B. B. make the following memorandum: "Left at F. C. Bank for collection," and give the date when left.

"

Order by telegram, of Pratt, Conway & Mills, Pittsburg, 200 kegs Cut Nails, 20,000 lbs., to be shipped via W. B. & P. R. R. (Memorandum.)

"

Receive Cash of L. B. Mason, in full for invoice 2d inst. (C. B.)

"

Sell C. B. Shafer, Gasport, on a/c, 10 Kegs Cut Nails, 1000 lbs.; 2 U. C. Wringers; 3 doz. C. S. Augers; 7 doz. Carpet Stretchers; 2 doz. W. Wrenches; 10 doz. C. S. Axes. (S.B.)

8.

Pay Hemingway & Selden, cash on a/c, 100.00.

9.

Accept E. Corning & Co.'s draft at 3 days sight, favor of themselves, payable at F. C. Bank, to apply on a/c, 300.00. (J. & B. B.)

10.

Receive cash of C. B. Shafer, on a/c, 200.00.

11.

Receive of Barber & Swift their note at 10 days, payable at Farmers' Bank, Georgetown, with interest in full for invoice 5th inst. Leave the note at F. C. Bank for collection.

"

Sell E. Langworthy, on a/c, 10 Grindstones; 3 U. C. Wringers; 5 doz. C. Stretchers.

"

Deposit in F. C. Bank, 300.00. (Ck. B.)

12.

Receive the nails ordered of Pratt, Conway & Mills, 6th inst. (J.)

13.

Pay cash for 2 tons of Coal for office, 10.80.

"

Geo. D. Whitney draws from the business, for his individual use, by check on F. C. Bank, 200.00.

NOTE.—Charge this to "Geo. D. Whitney, Private Account," and open such an account in the Ledger instead of posting it to his investment account.

"

Sell L. B. Mason, City, 8 doz. C. Stretchers; 10 kegs Cut Nails, 1,000 lbs.; 4 doz. C. S. Augers, 10 doz. C. S. Axes. Receive cash to apply on above 43.00.

NOTE.—Enter the sale in S. B. in the regular way, for the full amount, and credit Mason in C. B. for the cash received.

"

Order by letter of Hart, Bliven & Mead, New York, to be shipped via. West Shore R. R., 12 I. C. Freezers; 2,500 lbs. Babbit Metal; 20 doz. Cow Bells; 15 Copying Presses; 100 pairs Barn Door Hangers; 75 doz. R. H. Bread Knives (Memorandum).

15.

Receive cash of E. Langworthy on a/c 45.50.

"

Your acceptance due to-day has been paid by F. C. Bank and charged to your a/c.

18.

Sell C. B. Shafer on a/c, 30 kegs Cut Nails, 3,000 lbs.; 5 doz. P. G. C. Hods; 5 B. Drills.

"

Receive the goods ordered of Hart B. & M., 13 inst.

19.

Buy at F. C. Bank by check, a New York draft for 200.00 at ½ % Exchange, and remit it by letter to E. Corning & Co. on %. (Ck. B. & C. B.)

NOTE.—Debit Corning & Co. 200.00, Exchange 50 cts. in C. B. and deduct 200.50 in Ck. B.

20.

Your note with interest due to-day has been paid by F. C. Bank and charged to your %.

"

Pay Hart, Bliven & Mead's sight draft on you, favor themselves, by check on F. C. Bank 500.00.

"

Geo. D. Whitney appropriates for his individual use, at cost price, 1 pair B. D. Hangers; 1 Copying Press; 1 I. C. Freezer. (S. B.)

NOTE.—Charge this to "Geo. D. Whitney, Private Account."

22.

Sell Barber & Swift 4 Copying Presses; 25 kegs Cut Nails, 2,500 lbs.; 10 Grindstones; 5 doz. C. Bells; 2 I. C. Freezers; 1,500 lbs. B. Metal; 20 doz. R. H. Bread Knives. Receive Cash on above 120.50.

"

Remit by letter to Pratt, Conway & Mills on % your note at 15 days with interest, payable at F. C. Bank, 300.00.

25.

Receive credit at F. C. Bank for a note with interest, due yesterday, less collection ½ %.

"

Deposit in F. C. Bank 400.00.

"

Pay Daily Tribune Advertising bill in cash 18.50.

26.

Pay E. Corning & Co.'s sight draft on you, favor themselves, by check on F. C. Bank, 100.00.

"

Receive of L. B. Mason his note at 15 days with interest 100.00, and his note at 30 days with interest 100.00, payable at Trader's Bank, to balance %.

27.

Receive cash of Barber & Swift on %, 100.00.

"

Draw a sight draft on C. B. Shafer, Gasport, 150.00, in favor of F. C. Bank and deposit the draft to your credit less collection ½ %.

NOTE.—Credit Shafer 150.00 debit Collection 75 cts. in C. B. and add 149.25 in Ck. B.

29.

Order by letter of E. Corning & Co. to be shipped via. N. Y. C. & H. R. R. R. 20 doz. W. Wrenches; 15 doz. C. S. Augers; 25 doz. C. Stretchers; 30 B. Drills; 25 doz. C. S. Axes.

"

Deposit in F. C. Bank 100.00.

30.

Receive credit at F. C. Bank for a note due yesterday, less collection ½ %.

"

Sell L. B. Mason on % 2 doz. C. Bells; 4 Copying Presses; 25 kegs Cut Nails, 2,500 lbs.; 25 pairs B. D. Hangers; 2 doz. Steelyards; 5 doz. P. G. C. Hods.

"

Give Hemingway & Selden check on F. C. Bank in full of % 109.38.

30.

Accept Pratt, Conway & Mills draft at 1 day sight, favor H. W. Hardy, payable at F. C. Bank, 200.00.

"

Pay H. N. Smith rent of Store one month by check on F. C. Bank.

"

Pay Sundry Freight bills for the month in cash, 46.35 (Charge Mdse. %.).

INSTRUCTIONS.

You may now balance the Cash Book, foot the Sales Book, post the month's business, and take a trial balance.

To balance the Cash Book it will require the cash in the safe, 575.10, and the cash in the bank, 3038.97, added together, this sum constituting the cash on hand, as explained in Note No. 2, page 73.

Post from the Cash Book and Journal the same as in Sept. and Oct.

In posting from the Sales Book, debit each person with the amount of his invoice and credit Merchandise with the total sales, as shown by the footing of the last column of the Sales Book. This footing should be $2014.75.

As a matter of convenience, and as being less liable to make errors, you may first post *all* of the entries from the Sales Book; then post *all* entries from the **Journal**; and last, post *all* entries from the Cash Book. The dates will not in all cases appear in proper **order** in the Ledger, as they would when the books are kept posted every day as they are in business.

The initials of the book from which the entry is posted are to be used in the Ledger, instead of a complete explanation. Thus, if the entry comes from the Sales Book, enter in the explanation column, S. B.; if from the Cash Book, C. B.; and if from the Journal, **J.** This plan will materially shorten the work of posting and generally meet all requirements.

In posting, give Bills Receivable, Bills Payable, Expense and Merchandise each one-half a page space, and give all other accounts one-fourth page each.

After completing the posting, take a Trial Balance, using the differences instead of the footings of the accounts. These differences should be as follows:

DEBITS.

Merchandise, 1076.98; Bills Receivable, 200.00; Expense, 354.30; E. Langworthy, 58.75; L. B. Mason, 307.75; Barber & Swift, 250.00; C. B. Shafer, 156.00; Geo. D. Whitney, Private Account, 214.25; Interest, 1.01; Exchange, 50c; Collection, 2.39; Cash, 3614.07.

CREDITS.

Geo. D. Whitney, 5000.00; Bills Payable, 500.00; Pratt, C. & M., 125.00; Hart, B. & M., 399.50; E. Corning & Co., 211.50.

DECEMBER 1, 188—.

Receive of Barber & Swift, Georgetown, to balance account, their draft, in your favor, at 3 days sight, on E. R. Andrews, City, which he has accepted, payable at his office.

"

Pay Gas Bill for November, in cash, 3.75.

"

Sell Oliver Bros. & Co., Williamsburg, on %, 50 Kegs Cut Nails, 5000 lbs.; 10 B. Drills.

2.

Receive the goods ordered of Corning & Co., Albany, 29th ult.

"

Receive of L. B. Mason, to balance account, his check on Traders' Bank, 107.75, and his note at 15 days, with interest, payable at Traders' Bank, 200.00.

3.

Receive cash of E. Langworthy, in full of %, 58.75.

"

Deposit in F. C. Bank, currency, 100.00; also, L. B. Mason's check received yesterday.

3.

Remit by letter to Hart, Bliven & Mead, to balance a/c, a draft on New York, 399.50, which you purchase at F. C. Bank. Give check to cover the draft and exchange at ¼ %.

4.

Sell Barber & Swift, Georgetown, on a/c, 10 doz. C. S. Axes; 3 I. C. Freezers; 500 lbs. B. Metal; 20 pairs B. D. Hangers.

"

Your acceptance due to-day has been paid by F. C. Bank and charged to your a/c.

5.

Buy of Hemingway & Selden, City, on a/c, 6 I. C. Freezers; 20 doz. P. G. Coal Hods; 10 Copying Presses; 10 doz. Steelyards.

"

The draft drawn on C. B. Shafer, Gasport, 27th ult., has been returned protested for non-payment. Protest fees, 1.50. Give F. C. Bank a check to cover the face of the draft and fees.

NOTE.—Debit Shafer's account for the draft and fees.

6

Sell L. B. Mason, City, on a/c. 5 Grindstones; 10 doz. C. S Augers; 12 doz. Steelyards, 30 pairs B. D. Hangers; 5 doz. Cow Bells, 3 I. C. Freezers; 50 doz. R. H. Bread Knives.

7.

Receive cash of E. R. Andrews for his acceptance due to-day.

8.

Receive a letter from Barber & Swift, Georgetown, stating that the Babbit Metal sold them 4th inst. is of an inferior quality. They propose to keep the metal if a reduction of 4c per lb. is made. Write to Hart, Bliven & Mead, of whom you purchased it, reciting the facts, and ask their consent to make the allowance and give you credit, or have the metal returned to them, as they may prefer. (Memorandum.)

9

Receive of Oliver Bros. & Co., their note at 60 days, in your favor, payable at German-American Bank, to apply on a/c. 150.00

"

Receive cash of Barber & Swift, on a/c, 100.00.

10

Sell E. Langworthy, Marcellus, on a/c, 9 doz. C. S Augers; 10 Grindstones; 15 Kegs Cut Nails, 1500 lbs.; 5 B. Drills; 5 doz. R. H. Bread Knives.

"

Your note, with interest, favor of Pratt, Conway & Mills, due to-day, has been paid by F. C. Bank and charged to your a/c.

11

Accept Pratt, Conway & Mills draft on you, at 3 days sight, favor H. W. Hardy, payable at F. C. Bank, 100.00.

12.

Order by letter, of Hart, Bliven & Mead, New York, to be shipped via W. S. R. R., 15 doz. Cow Bells; 10 B. Drills; 10 doz. C. S. Axes; 20 doz. C. S. Augers.

"

Deposit in F. C. Bank, cash, 250.00.

13.

Give Hemingway & Selden check on F. C. Bank, on a/c, 200.00.

"

Hart, Bliven & Mead, in answer to your letter of 8th inst., instruct you to make the allowance asked for by Barber & Swift, and charge the same to their a/c.

NOTE.—Credit Barber & Swift and debit H. B. & M.

14

Receive cash for note and interest in your favor, due to-day.

15

Receive the goods ordered of Hart, Bliven & Mead, 12th inst.

16.

Accept E. Corning & Co.'s draft on you, at 3 days sight, favor of themselves, payable at F. C. Bank, 211.50.

17.

Sell Wm. Perrin's Sons, Frankfort, on ℅, 5 doz. C. S. Axes; 10 doz. W. Wrenches; 15 doz. C. Stretchers; 24 pairs B. D. Hangers; 6 Copying Presses; 10 U C. Wringers.

"

Your acceptance, due to-day, has been paid and charged to your ℅ by F. C. Bank

18.

C. B. Shafer has compromised with his creditors at 50 cents on the dollar. Receive cash from him on that basis, in full settlement of his indebtedness.

NOTE.—Credit him in C. B. for the cash and make an entry in J. to close his account.

19.

Receive cash of Oliver Bros. & Co., in full of ℅, 122.50.

20.

Geo. D. Whitney draws from the business. for private use, by check on F. C. Bank, 250.00.

"

Receive cash for note and interest, in your favor, due to-day.

21.

Deposit cash in F. C. Bank, 500.00.

22.

Deliver to E. W. Cooper, 1 Copying Press; 1 I. C. Freezer, on H. N. Smith's order, same to apply on rent.

NOTE.—Debit Expense in S. B.

"

Your acceptance, due to-day, has been paid and charged to your account by F. C. Bank.

23

Receive cash of L. B. Mason, on ℅, 100.00.

24.

Remit by letter to E. Corning & Co., Albany, your note, their favor, at 30 days, 300.00; your note, their favor, at 60 days, 300.00; and your check on F. C. Bank, certified by W. D. Burgess, teller, 277.50, to balance ℅.

25

Sell Oliver Bros. & Co., Williamsburg, on ℅, 16 doz. C. Stretchers; 10 doz. W. Wrenches; 9 Copying Presses, 20 doz. C. S. Axes; 5 B. Drills.

27.

Purchase, by check on F. C. Bank, a New York Draft, 200.00, at ¼ % exchange, and remit same to Hart, Bliven & Mead, to apply on ℅.

28

Pay sundry freight bills for the month, in cash, 25.18.

29

Receive cash for note and interest, in your favor, due to-day.

30

Receive cash of Wm. Perrin's Sons, in full of ℅, 432.00; also of L. B. Mason, to apply on ℅, 150.00.

31

Pay H. N. Smith rent for December, less amount of his order 22nd inst., by check on F. C. Bank.

"

Give Hemingway & Selden check on F. C. Bank, on ℅, 100.00.

31.

Pay clerk's salaries in full to date, in cash, 175.00.

"

Deposit in F. C. Bank all the cash on hand, 1289.62.

INVENTORY, DEC. 31, 188–.

MERCHANDISE.—Goods on hand, as per Inventory Book, ... 1381.93
EXPENSE.—Safe on hand, valued at 5% below cost, ... 213.75

You may now balance the Cash Book, foot the Sales Book, post, make out Balance Sheet and close the Ledger. The balance in F. C. Bank should be 2809.44. The sales for the month should be 2252.75. Before making the Balance Sheet, close Geo. D. Whitney, Private Account, into Geo. D. Whitney account. The Summary of your Balance Sheet should agree with the following:

SUMMARY.

Total Gains,		826 02	Student's ½ Net Gain,	124 06	
" Losses,		577 90	" Present Worth,		124 06
Net Gain of Firm,		248 12	Geo. D. Whitney's Net Credit,	4535 75	
			" ½ Net Gain,	124 06	
Total Resources,		5717 87			
" Liabilities,		934 00	" Present Worth,		4659 81
Present Worth of Firm,		4783 87	Present Worth of Firm,		4783 87

NOTE.—After you have completed the work upon your books, present them, together with all of the business papers involved in the foregoing set, to the teacher for inspection. An examination will likewise be given, in which you will be required to make the journal entries for all of the parties in a large variety of business transactions, together with a review of the principles as outlined in the questions upon pages 53, 54 and 63, together with the following:

MISCELLANEOUS QUESTIONS.

NOTE.—Written answers are required to the following questions.

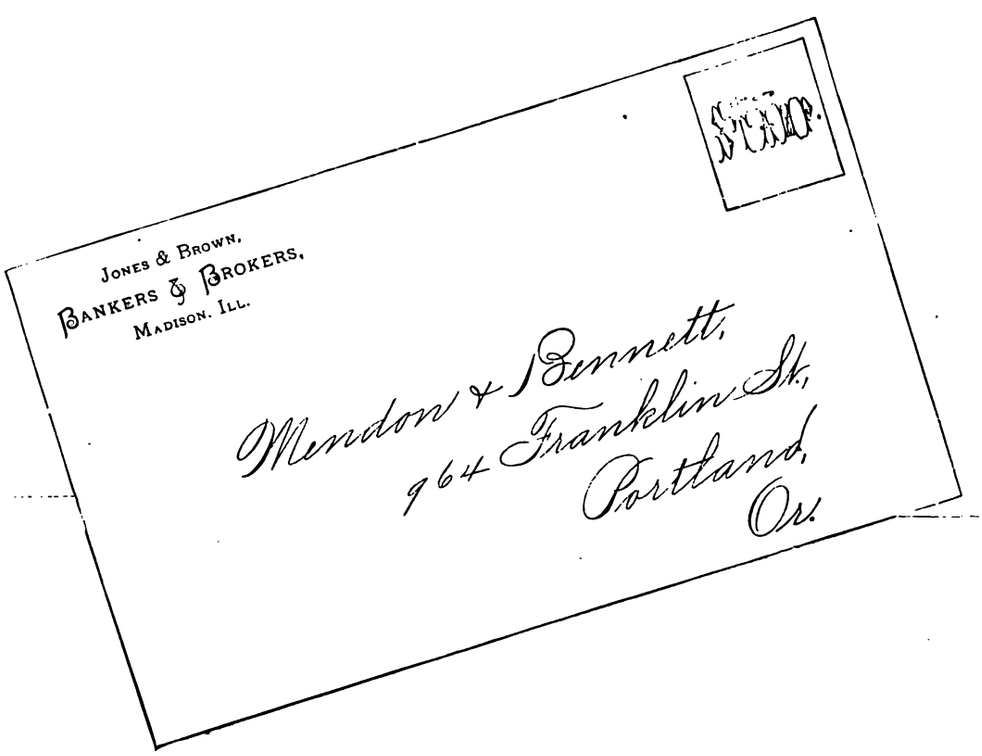
[1] From what does Double Entry Book-keeping take its name? [2] How are you enabled to decide to which of the two general classes of accounts used in double entry any particular account belongs? [3] What title may be used instead of the proprietor's name? [4] Mention three accounts that you can always tell which side should be greater, if there is any difference? [5] To which of the two general classes of accounts does a Personal account belong? [6] What circumstance might arise to place it in the other class? [7] Why is it necessary that Bills Payable and Bills Receivable should always be debited and credited with their *face* value? [8] Mention some of the errors which will not affect the equality of the Ledger. [9] In case the Trial Balance does not prove, give the short tests to be applied before proceeding to examine the posting. [10] When the check of another person is received, how is it journalized? [11] Give an example of an inventory showing a liability. [12] Give the two ways of finding the Present Worth in double entry. [13] What is meant by Insolvency? [14] What is the object of closing accounts showing losses and gains? [15] In closing an account, why is the equality of the Ledger not affected? [16] What is meant by the acceptance of a draft? [17] Give the general rule for journalizing drafts when drawn on account. [18] What journal entry is made when the proprietor commences business with both Resources and Liabilities? [19] What would a Shipment account show at the time of making a Balance Sheet, if no Account Sales had been received? [20] What would a Consignment account show, if unclosed at time of making a Balance Sheet? [21] In closing an account having a resource inventory, why is it necessary to credit the account with the inventory before it can be closed? [22] After the account has been closed, why must the inventory be carried below the rulings? [23] Why is the loss or gain not carried below the rulings? [24] When are personal accounts usually closed? [25] Do errors in journalizing affect the equality of the Ledger? [26] What advantage is obtained by using the Cash Book as a principal book? [27] How is the work of posting from the Cash Book performed? [28] What advantage is obtained by using the Sales Book as a principal book? [29] How are transactions with the bank treated when no bank account is kept in the Ledger, and how are the entries made for such transactions? [30] How is the Cash Book balanced when there is cash both in the safe and in the bank?

Madison, Ill. Sept. 29, 18—

Mendon & Bennett,
964 Franklin St.
Portland, Or.

Gentlemen:- Your letter of the 23rd inst. requesting information in regard to the financial standing of Mr. James H. Putnam, is received. We are pleased to say that we have always found him to be trustworthy and we think you would be entirely safe in giving him credit to the amount stated in your letter.

Yours respectfully,
Jones & Brown.



SINGLE ENTRY.

[1] The distinguishing feature of Single Entry book-keeping is, that only Personal accounts are kept in the Ledger.

[2] This system of book-keeping contemplates such a record, or the filing of such documents for reference only, as will enable the proprietor to determine at any time the Resources and Liabilities of his business, which cannot be found by taking an inventory.

[3] For this purpose the practice is to journalize and post personal accounts only. Cash receipts and payments are entered in the Cash Book, and Bills Receivable and Bills Payable in the Bill Book.

[4] It is sometimes found necessary to employ additional books of record, the number and character depending upon the nature and extent of the information which it is desired to preserve: as, Order Book, Invoice Book, Sales Book, etc.

[5] Since no accounts showing gains and losses are kept in Single Entry, it follows that an itemized statement of the gains and losses of the business cannot be obtained.

[6] The Net Gain or Net Loss of the business can be determined, however, in the following manner: First ascertain the Present Worth, by finding the difference between the Resources and Liabilities, and then compare it with the Investment.

[7] If the present worth is greater than the investment, the difference shows a net gain; if less, a net loss.

The following sets are designed to illustrate book-keeping by Single Entry, also changing Single Entry books to Double Entry. The books to be used are Journal, Ledger, Cash Book and Bill Book. The form of Journal is illustrated on page 82. The Bill Book is to be kept in the form used heretofore, and the Cash Book as illustrated on page 89.

January 1, 18–

Student	Cr.			3225 —
Commenced business with the following Resources:				
Store and Lot		2500		
Horse and Wagon,		225		
Cash on hand.		500		
Smith Perkins & Co.	Cr.			787 50
Bot. Mdse. on acct, per Invoice No. 1,				
A. Thompson, Aurora.	Dr.			84 —
2 ch. J. Tea, 70 lbs.,	70¢	49		
2 " B " 70 lbs.,	50¢	35		
2				
Mrs. Eliza Smith, 27 Main St.	Dr.			2 51
10 lbs A. Sugar,	11¢	1	10	
1 " J. Tea,			55	
2 " J. Coffee,	28¢		56	
2				
Smith, Perkins & Co.	Cr.			236 50
Bot Mdse. on acct, Invoice, No. 2				
2				
Wm. Johnson, 144 Lyell Ave.,	Dr.			1 87
4½ lbs Mackerel,	12¢		54	
1 " B. Tea,			55	
2 " R. Coffee,	24¢		48	
3				
Smith, Perkins & Co.	Dr.			300 —
Note on acct, per B.B.,				
3				
A. Thompson,	Cr.			15 —
Cash to apply on acct				

JANUARY 1, 188–.

Commence business with the following resources: Store and Lot valued at 2500.00; Horse and Wagon valued at 225.00; Cash, 500.00. (*Enter in Journal and Cash Book; see form of Journal on page 82, and form of Cash Book on page 89.*)

"

Buy of Smith, Perkins & Co., City, on ℅, at 15 days, 10 bbls. A Sugar, 1250 lbs., @ 10c.; 10 ch. Japan Tea, 350 lbs., @ 60c.; 10 ch. Black Tea, 350 lbs., @ 45c.; 5 half bbls. Mackerel, @ 4.00; 10 mats Java Coffee, 1250 lbs., @ 22c. (*Enter in J.; see page 82.*)

NOTE.—It is unnecessary to enter the items in the Journal, the Invoice itself being placed on file for reference.

"

Sell A. Thompson, Aurora, on ℅, 2 ch. J. Tea, 70 lbs., @ 70c.; 2 ch. B. Tea, 70 lbs., @ 50c. (*J.; see form on page 82.*)

"

Cash sales, per Cash Drawer, 175.38. (*C. B.; see 3, page 81.*)

2.

Sell Mrs. Eliza Smith, 27 Main St., on ℅, 10 lbs. A Sugar, @ 11c.; 1 lb. J. Tea, @ 85c.; 2 lbs. J. Coffee, @ 28c. (*J.*)

"

Buy of Smith, Perkins & Co., on ℅, 10 bbls. Brown Sugar, 1250 lbs., @ 9c.; 10 sacks Rio Coffee, 800 lbs., @ 18c.

"

Sell Wm. Johnson, 144 Lyell Ave., on ℅, 4½ lbs. Mackerel, @ 12c.; 1 lb. B. Tea, 55c.; 2 lbs. Rio Coffee, @ 24c.

3.

Give Smith, Perkins & Co., your note at 10 days, payable at College Bank, to apply on ℅, 300.00. (*J. and B. B.; see 3, page 81.*)

NOTE.—Before entering this note, draw a red line across both pages in the Bill Book, below the last entry, to separate this from the previous sets.

"

Receive cash of A. Thompson, on ℅, 15.00. (*J. and C. B.*)

"

Buy of Smith, Perkins & Co., on ℅, 12 doz. Brooms, @ 2.25; 4 doz. Wood Pails, @ 2.00.

"

Sell James Jamieson, 27 Broadway, on ℅, 25 lbs. A Sugar, @ 10c.; 4 lbs. J. Tea, @ 80c.; 2 lbs. Rio Coffee, @ 24c.

5.

Pay Clerk cash, to apply on Salary, 5.00. (*C. B.*)

"

Cash sales, per Cash Drawer, 246.75. (*C. B.*)

6.

Sell Mrs. Eliza Smith, on ℅, 10 lbs. B. Sugar, @ 10c.; 4½ lbs. Mackerel, @ 12c.; 2 Wood Pails, @ 25c.

"

Receive cash of Wm. Johnson, 3.00, and of James Jamieson, 5.00, on ℅. (*J. and C. B.*)

7.

Buy of H. Gordon & Co., City, on your note at 20 days, payable at College Bank, 2 bbls. A Sugar, 250 lbs., @ 10c.; 2 bbls. Brown Sugar, 250 lbs., @ 8½c.; 1 ch. Japan Tea, 35 lbs., @ 55c. (*B. B.; see 3, page 81; also see note below.*)

NOTE.—No entry is to be made in the Journal, because your indebtedness is not to Gordon & Co. personally, but in the form of Bills Payable, and is shown by the Bill Book.

"

Sell Mrs. Eliza Smith, on ℅, 2 Wood Pails, @ 22c.; 1 Broom, 25c.; 1 lb. Rio Coffee, 24c.

7.

Cash sales for the day, per Cash Drawer, 127.64.

8.

Receive of Alex. Thompson, his note at 3 days, payable at Traders' Bank, to apply on a/c, 25.00. (*J. and B. B.*)

NOTE.—A good rule for the student, who is familiar with double entry, to use in journalizing by single entry, is, first to decide what journal entry would be made for the transaction by the *double entry* method; then if he find in such entry that a person is to be either debited or credited, the same person must be debited or credited in the single entry Journal, otherwise no journal entry is to be made.

9.

Sell Wm. Johnson, on a/c, 50 lbs. B. Sugar, @ 9½c.; 1 Broom, 25c.; 5 lbs. Rio Coffee, @ 24c.; 2 Wood Pails, @ 22c.

"

Pay cash for ton of Coal for office use, 6.50.

10.

Pay Smith, Perkins & Co., cash to apply on a/c, 100.00. (*J. and C. B.*)

"

Buy of Geo. F. Doyle, Salina, on a/c, at 10 days, 25 bbls. Salt, @ 1.25.

"

Wm. Johnson returns for credit, 4 lbs. of the Rio Coffee bought 9th inst., the quality not being satisfactory.

11.

Sell A. Thompson, 10 bbls. Salt, @ 1.40; 2 ch. J. Tea, 70 lbs., @ 70c.; 3 bbls. B. Sugar, 375 lbs., @ 10c. Receive in payment, cash, 25.00. Balance on a/c. (*J. and C. B.*)

NOTE.—In transactions like the above in single entry, it is customary to make an entry in the Journal debiting the person with the whole bill purchased, and then make a second entry giving him credit for the amount paid.

12

Pay Clerk cash to apply on Salary, 10.00.

"

Receive cash of Mrs. Eliza Smith, to apply on a/c, 1.50.

13.

Pay Smith, Perkins & Co., to apply on a/c, cash, 50.00, and your note at ten days, payable at College Bank, 100.00. (*J., C. B. and B. B.*)

"

Sell Wm. Johnson, on a/c, 10 lbs. A Sugar, @ 10c.; 2 lbs. J. Tea, @ 85c.; 5 lbs. Rio Coffee, @ 22c.

14.

Buy of Geo. F. Doyle, on a/c, at 10 days, 25 bbls. Salt, @ 1.25.

"

Receive cash of A. Thompson, for his note of 8th inst. due to-day, 25.00. (*C. B. and B. B.*)

"

Cash sales, as per Cash Drawer, 358.40.

15.

Pay Geo. F. Doyle's sight draft on you to apply on a/c, in cash, 25.00. (*J. and C. B.*)

"

Pay Book-keeper cash, to apply on Salary, 25.00.

"

Receive of A. Thompson, his note at ten days, payable at Traders' Bank, to balance a/c, 119.50.

"

Sell James Jamieson, on a/c, 10 lbs. B. Sugar, @ 9½c.; 2 lbs. J. Tea, @ 80c.; 5 lbs. Rio Coffee, @ 24c.

16.

Pay your note of 3d inst., favor of Smith, Perkins & Co., in cash, 300.00.

NOTE.—You may now balance the Cash Book and post the foregoing transactions. Give each account one-fourth of a page space. The books are to be changed to Double Entry after you have completed the posting, full instructions for which are given below. You should study those instructions very carefully, and perform the work *precisely* as they direct.

INSTRUCTIONS FOR CHANGING THE BOOKS TO DOUBLE ENTRY.

1st. [8] An inventory is to be taken of the Mdse. and other property on hand, its value being estimated at what the property could be purchased for at the present time. The result of such inventory is as follows:

INVENTORY, JANUARY 16, 188–.

Mdse. on hand, per Inventory Book,	270 72
Horse and Wagon, valued at	225 00
Store and Lot, " "	2500 00

NOTE.—You may copy the above Inventory in your Journal, immediately following the last entry.

2d. [9] The resources and liabilities exhibited by the various books, viz: Ledger, Cash Book and Bill Book, are next to be obtained, and, with the Inventories, arranged in a convenient form, as shown below, for determining the condition of the business.

STATEMENT, JANUARY 16, 188–.

RESOURCES.		LIABILITIES.	
Mdse., per Inventory,	270 72	Bills Payable, per Bill Book,	165 50
Store and Lot, per Inventory,	2500 00	Personal Accounts, per Ledger,	566 50
Horse and Wagon, per Inventory,	225 00		
Cash, per Cash Book,	961 17		
Bills Receivable, per Bill Book,	119 50		
Personal Accounts, per Ledger,	16 93		
	4093 32		732 00

SUMMARY.

Total Resources,	4093 32	Present Worth,	3361 32
" Liabilities,	732 00	Investment,	3225 00
Present Worth,	3361 32	Net Gain,	136 32

NOTE.—Make a Statement like the above in your Trial Balance or Statement book. Do not copy the above form merely, but verify all of the results by your own books.

3d. [10] The Present Worth is found, as shown above, by taking the difference between the Resources and Liabilities; and [11] the Net Gain is then found by taking the difference between the Present Worth and the Investment.

4th. [12] Since in Single Entry the Ledger contains only a portion of the Resources and Liabilities, viz: Personal accounts, it is apparent that, to change it to Double Entry, such additional accounts must be opened as will cause the Ledger to exhibit all of the Resources and Liabilities of the business, as shown by the foregoing Statement; and [13] the Net Gain must be credited to the Proprietor's account.

NOTE.—You may now proceed, in accordance with the above instructions, to open the additional accounts required to place your Ledger in the Double Entry form. After you have completed this work, your accounts should correspond with those given on pages 86–87. Mdse. will require one-half of a page space; all other accounts one-fourth of a page each.

5th. [14] After the change to Double Entry has been made in accordance with the foregoing directions, your Ledger must be in balance, because *all* of the Resources appear upon the Dr. side, and all of the Liabilities and the Present Worth, which is the difference between the Resources and Liabilities, appear upon the Cr. side.

STUDENT.

188–						188–					
Jan.	16	Present Worth,		3361	32	Jan.	1	Investment,	82	3225	
							16	Net Gain,		136	32
				3361	32					3361	32
						Jan.	16	Present Worth,		3361	32

SMITH, PERKINS & CO., City.

188–						188–					
Jan.	3	Bills Pay.,	82	300		Jan.	1	Mdse.	82	787	50
	10	Cash,		100			2	"	82	256	50
	13	Sundries,		150			3	"	82	35	
				550						1079	

A. THOMPSON, Aurora.

188–						188–					
Jan.	1	Mdse.	82	84		Jan.	3	Cash,	82	15	
	11	"		100	50		8	Bills Rec'v,		25	
							11	Cash,		25	
							15	Bills Rec'v,		119	50
				184	50					184	50

MRS. ELIZA SMITH, 27 Main Street.

188–						188–					
Jan.	2	Mdse.	82	2	51	Jan.	12	Cash,		1	50
	6	"		2	01						
	7	"			93						
				5	45						

WM. JOHNSON, 144 Lyell Ave.

188–						188–					
Jan.	2	Mdse.	82	1	57	Jan.	6	Cash,		3	
	9	"		6	64		9	Mdse. ret'd,			96
	13	"		3	80					3	96
				12	01						

JAMES JAMIESON, 27 Broadway.

188–						188–					
Jan.	3	Mdse.	82	6	18	Jan.	6	Cash,		5	
	15	"		3	75						
				9	93						

GEO. F. DOYLE, Salina.

188–						188–					
Jan.	15	Paid Draft,		25		Jan.	10	Mdse.		31	25
							14	"		31	25
										62	50

MERCHANDISE.

188–					
Jan.	16	Goods, per Inv.	270	72	

REAL ESTATE.

188– Jan.	16	Store and Lot,			2500										

EXPENSE.

188– Jan.	16	Horse and Wagon,			225										

CASH.

188– Jan.	16	Bal. per C. B.			961	17									

BILLS RECEIVABLE.

188– Jan.	16	On hand, per B. B.			119	50									

BILLS PAYABLE.

							188– Jan.	16	Outstanding, per B. B.			165	50		

NOTE.—You may now continue the business, the books to be kept by Double Entry. The combined Day Book and Journal form, as illustrated on page 45, is to be used. Use the Double Entry form of Cash Book, and post from this book as in the preceding sets. Continue the use of the Bill Book as heretofore.

JANUARY 17, 188–.

Buy of H. Gordon & Co., on ℅, 10 bbls. B. Sugar, 1250 lbs., @ 8c.

"

Cash sales, per Cash Drawer, 75.25.

18.

Sell Wm. Johnson, on ℅, 2 lbs. J. Tea, @ 80c.; 5 lbs. Rio Coffee, @ 25c.; 30 lbs. A Sugar, @ 11c.

"

Sell E. T. Miller, on his note at 15 days, payable at City Bank, 5 bbls. A Sugar, 625 lbs., @ 10½c.; 10 bbls. B. Sugar, 1250 lbs., @ 9c.; 3 ch. J. Tea, 105 lbs., @ 65c.

19.

Receive cash of Mrs. Eliza Smith, to balance ℅.

"

Buy of H. Gordon & Co., on ℅, 15 bbls. A Sugar, 1875 lbs., @ 9¼c.

20.

Sell James Jamieson, on ℅, 20 lbs. A Sugar, @ 11c.; 5 lbs. Rio Coffee, @ 24c.; 2 bbls. Salt, @ 1.50.

"

Cash sales, per Cash Drawer, 115.05.

21.

Give Geo. F. Doyle your note at 30 days, payable at College Bank, to balance ℅.

"

Buy of H. Gordon & Co., on ℅, 5 ch. J. Tea, 175 lbs., @ 60c.

22.

Sell A. Thompson, 10 bbls. Salt, @ 1.40; 2 ch. J. Tea, 70 lbs., @ 70c.; 2 ch. B. Tea, 70 lbs., @ 55c. Receive cash, 50.00. Balance on ℅.

STUDENT.

188–						188–					
Jan.	16	Present Worth,		3361	32	Jan.	1	Investment,	82	3225	
							16	Net Gain,		136	32
				3361	32					3361	32
						Jan.	16	Present Worth,		3361	32

SMITH, PERKINS & CO., City.

188–						188–					
Jan.	3	Bills Pay.,	82	300		Jan.	1	Mdse.	82	787	50
	10	Cash,		100			2	"	82	256	50
	13	Sundries,		150			3	"	82	35	
				550						1079	

A. THOMPSON, Aurora.

188–						188–					
Jan.	1	Mdse.	82	84		Jan.	3	Cash,	82	15	
	11	"		100	50		8	Bills Rec'v,		25	
							11	Cash,		25	
							15	Bills Rec'v,		119	50
				184	50					184	50

MRS. ELIZA SMITH, 27 Main Street.

188–						188–					
Jan.	2	Mdse.	82	2	51	Jan.	12	Cash,		1	50
	6	"		2	01						
	7	"			93						
				5	45						

WM. JOHNSON, 144 Lyell Ave.

188–						188–					
Jan.	2	Mdse.	82	1	57	Jan.	6	Cash,		3	
	9	"		6	64		9	Mdse. ret'd,			96
	13	"		3	80					3	96
				12	01						

JAMES JAMIESON, 27 Broadway.

188–						188–					
Jan.	3	Mdse.	82	6	18	Jan.	6	Cash,		5	
	15	"		3	75						
				9	93						

GEO. F. DOYLE, Salina.

188–						188–					
Jan.	15	Paid Draft,		25		Jan.	10	Mdse.		31	25
							14	"		31	25
										62	50

MERCHANDISE.

188–											
Jan.	16	Goods, per Inv.		270	72						

REAL ESTATE.

188– Jan.	16	Store and Lot,			2500										

EXPENSE.

188– Jan.	16	Horse and Wagon,			225										

CASH.

188– Jan.	16	Bal. per C. B.			961	17									

BILLS RECEIVABLE.

188– Jan.	16	On hand, per B. B.			119	50									

BILLS PAYABLE.

							188– Jan.	16	Outstanding, per B. B.					165	50

NOTE.—You may now continue the business, the books to be kept by Double Entry. The combined Day Book and Journal form, as illustrated on page 45, is to be used. Use the Double Entry form of Cash Book, and post from this book as in the preceding sets. Continue the use of the Bill Book as heretofore.

JANUARY 17, 188–.

Buy of H. Gordon & Co., on ℅, 10 bbls. B. Sugar, 1250 lbs., @ 8c.

"

Cash sales, per Cash Drawer, 75.25.

18.

Sell Wm. Johnson, on ℅, 2 lbs. J. Tea, @ 80c.; 5 lbs. Rio Coffee, @ 25c.; 30 lbs. A Sugar, @ 11c.

"

Sell E. T. Miller, on his note at 15 days, payable at City Bank, 5 bbls. A Sugar, 625 lbs., @ 10½c.; 10 bbls. B. Sugar, 1250 lbs., @ 9c.; 3 ch. J. Tea, 105 lbs., @ 65c.

19.

Receive cash of Mrs. Eliza Smith, to balance ℅.

"

Buy of H. Gordon & Co., on ℅, 15 bbls. A Sugar, 1875 lbs., @ 9¼c.

20.

Sell James Jamieson, on ℅, 20 lbs. A Sugar, @ 11c.; 5 lbs. Rio Coffee, @ 24c.; 2 bbls. Salt, @ 1.50.

"

Cash sales, per Cash Drawer, 115.05.

21.

Give Geo. F. Doyle your note at 30 days, payable at College Bank, to balance ℅.

"

Buy of H. Gordon & Co., on ℅, 5 ch. J. Tea, 175 lbs., @ 60c.

22.

Sell A. Thompson, 10 bbls. Salt, @ 1.40; 2 ch. J. Tea, 70 lbs., @ 70c.; 2 ch. B. Tea, 70 lbs., @ 55c. Receive cash, 50.00. Balance on ℅.

22.

Pay Smith, Perkins & Co., cash on a/c, 100.00.

"

Cash sales, per Cash Drawer, 98.34.

23.

Sell Frank C. Hedstrom, Sardinia, 5 ch. B. Tea, 175 lbs., @ 55c.; 2 doz. W. Pails, @ 2.50; 4 doz. Brooms, @ 2.65; 2 half bbls. Mackerel, @ 4.75; 5 bbls. A Sugar, 625 lbs., @ 10½c. Receive his note at 10 days, payable at First National Bank, 100.00. Balance on a/c.

"

Receive cash of Wm. Johnson on a/c, 5.00.

24.

Buy of Geo. F. Doyle, on your note at 20 days, 50 bbls. Salt, @ 1.25.

"

Cash sales, per Cash Drawer, 138.40.

25.

Pay cash for permanent improvements on store, 200.00.

"

Pay Gas Bill in cash, 11.75.

"

Sell Wm. Johnson, on a/c, 5 lbs. J. Tea, @ 80c.; 50 lbs. B. Sugar, @ 9½c.; 10 lbs. Rio Coffee, @ 25c.

26.

Receive cash of James Jamieson, to balance a/c, 11.33.

"

Pay your note of 13th inst., due to-day, in cash.

27.

Buy of Smith, Perkins & Co., 10 bbls. A Sugar, 1250 lbs., @ 10c.; 10 bbls. B. Sugar, 1250 lbs., @ 9c.; 5 ch. J. Tea, 175 lbs., @ 60c.; 10 mats J. Coffee, 1250 lbs., @ 22c. Give them your note at 10 days, 300.00. Balance on a/c.

28.

Pay H. Gordon & Co. cash on a/c, 178.44.

"

Receive cash of A. Thompson, for his note of 15th inst., due to-day.

29.

Cash sales, per Cash Drawer, 216.49.

"

Sell the Horse and Wagon for cash, 235.00.

30.

Pay your note of 7th inst., due to-day, in cash.

31.

Pay Book-keeper 25.00, and Clerk 15.00, cash in full of services to date.

INVENTORIES, JANUARY 31, 188–.

MDSE., as per Inventory Book,	426 48
REAL ESTATE.—Store and Lot, valued at	2700 00

You may now post and make a Balance Sheet. After you have completed the Balance Sheet, close the Ledger and bring down the resources and liabilities, and prove them upon a separate sheet of paper, as illustrated on page 40, and present the proof, together with your Ledger, to the teacher for inspection and approval.

A few results are appended: Cash on hand, 1333.79; Total Resources, 4965.58; Liabilities, 1346.50; Net Gain, 257.76.

FEBRUARY 1, 188–. (See Note No. 1.)

		_____ (Student's name).	Cr.			8500	
		Commenced business this day with the following resources and liabilities:					
		Cash on hand, per Cash Book,		3000			
		On deposit in College Bank,		4000			
		100 bbls. Flour,	@ 8.00,	800			
		C. D. French's note, per Bill Book,		200			
		Jas. Harris, on a/c,		500			
		"					
		_____ (Student's name),	Dr.			881	67
		Note favor Geo. Wells, per Bill Book,		500			
		Interest accrued, 80 days (*see Note No. 2*),		6	67		
		Due Hill & Co., on a/c,		375			
		College Bank,	Dr.			4000	
		Amount on deposit, as above.					
		Jas. Harris,	Dr.			500	
		On account, as above,					
		Hill & Co.,	Cr.			375	
		On account, as above.					
		2.					
		White Bro's,	Cr.			1181	25
		Bo't Mdse. on a/c, per Invoice No. 1,					
		3.					
		Hill & Co.,	Dr.			100	
		Paid them, on a/c, by check on College Bank,					
		College Bank,	Cr.			100	
		Check favor of Hill & Co.,					

SINGLE ENTRY CASH BOOK.

188–			RECEIPTS.		PAYMENTS.	
Feb.	1	Invested by Student,	3000			
	4	Deposited in College Bank,			500	
	4	15 bbls. Beef, @ 18.75,	281	25		
	6	C. D. French's note,	200			
	"	White Bro's, on a/c,			500	
	7	R. J. Barton, to apply on Mdse.	300			
	8	Office Books and Stationery,			25	
	9	O. W. Jones, on a/c,	250			
	10	Deposited in College Bank,			1000	
	12	Jas. Harris, on a/c,	200			

NOTE No. 1.—The month of February is to be worked by Single Entry, as explained in the previous set. A few of the first entries, as they should be made in your Journal, are given above. In addition to the Personal accounts, however, a Bank account is to be kept in the Ledger. Use the Single Entry form of Cash Book, as illustrated above, and continue the use of the Bill Book as heretofore. On March 1 the books are to be changed to Double Entry, and the business continued through March by that method.

FEBRUARY, 188–.

1. Commence business this day with the following resources and liabilities:
   RESOURCES: Cash on hand, 3000.00; on deposit in College Bank, 4000.00; 100 bbls. Flour, @ 8.00; C. D. French's note, dated Jan. 4th last, at 30 days, 200.00; Jas. Harris owes on %, 500.00.
   LIABILITIES: Your note favor of Geo. Wells, dated Nov. 13 last, at 90 days, payable at College Bank, with interest, 500.00; Interest accrued 80 days on above note; due Hill & Co., on %, 375.00.
2. Buy of White Bro's, on %, 50 bbls. Pork, @ 15.00; 25 bbls. Beef, @ 17.25.
3. Give Hill & Co. your check on College Bank, to apply on %, 100.00. (*J.*)
   Sell O. W. Jones, on %, 25 bbls. Flour, @ 9.00; 15 bbls. Pork, @ 16.50.
4. Deposit cash in College Bank, 500.00.
   Sell for cash, 15 bbls. Beef, @ 18.75.
5. Buy of Geo. J. Marsh, on your note at 15 days, 50 bbls. Beef, @ 17.25.
6. Receive cash for a note due to-day.
   Pay White Bro's cash on %, 500.00.
7. Sell R. J. Barton, 20 bbls. Beef, @ 18.50; 25 bbls. Flour, @ 9.00. Receive cash, 300.00. Balance on %.
8. Pay cash for set of Office Books and Stationery, 25.00.
9. Receive cash of O. W. Jones, on %, 250.00.
10. Deposit cash in College Bank, 1000.00.
11. Sell H. A. Strong, on his note at 60 days, 25 bbls. Pork, @ 16.25.
12. Buy a Safe for office use, and pay for same by check on College Bank, 225.00.
    Receive cash of Jas. Harris, on %, 200.00.
13. Buy for cash, 25 bbls. Pork, @ 15.00.
14. Sell O. W. Jones, 25 bbls. Beef, @ 18.50; 25 bbls. Flour, @ 9.25. Receive his note at 10 days, with interest, payable at City Bank, 500.00. Balance on %.
    Your note and the interest upon it, 7.75, due to-day, has been charged to your % at College Bank.
15. Sell for cash, 10 bbls. Pork, @ 16.50.
16. Draw cash from the business for your private use, 50.00.
17. Sell Benj. C. Green, 15 bbls. Beef, @ 18.50; 10 bbls. Pork, @ 16.25. Receive cash, 150.00, and his note at 60 days, payable at Traders' Bank, for balance.
18. Give White Bro's your check on College Bank, to apply on %, 300.00.
20. Sell for cash, 10 bbls. Flour, @ 9.25; 5 bbls. Pork, @ 16.25.
21. Buy of White Bro's, on %, 25 bbls. Beef, @ 17.25.
22. Receive cash of Jas. Harris, to balance %, 300.00.
23. Buy of Geo. J. Marsh, on your note at 25 days, payable at College Bank, 50 bbls. Pork, @ 15.00.
    R. J. Barton has compromised with his creditors at 25 %. Settle his % on that basis, receiving cash.
    Pay your note due to-day in cash.
24. Receive cash of O. W. Jones, on %, 222.50.
    Get H. A. Strong's note, received 11th inst., discounted at College Bank, and receive cash for the proceeds. (*See Note 2, page 89.*)
26. Sell D. B. Oliver, on %, 20 bbls. Pork, @ 16.25; 10 bbls. Beef, @ 18.50.
27. Receive cash for a note, with interest, due to-day.
28. Pay Salaries, 50.00, and Rent of Store, 50.00, in cash.

INVENTORIES, FEBRUARY 28, 188–.

15 bbls. Flour, @ 8.00; 40 bbls. Pork, @ 15.00; 15 bbls. Beef, @ 17.25.
Office Safe, valued at cost.

Balance the Cash Book. The cash on hand should be 2807.69. In posting, give Bank account one-half of a page space; other accounts one-fourth of a page. After posting, proceed to change the books to Double Entry, according to the instructions given in the previous set on page 85. The Statement should show a Present Worth of 7534.94.

After the necessary steps have been taken to change the Ledger to Double Entry, take a Trial Balance, to be *sure* that your Ledger is in balance before proceeding with March. Continue the use of the Bill Book and Cash Book in March, using the Double Entry form of Cash Book.

MARCH, 188–.

1. Admit Geo. H. Whitney and W. D. Welch as equal partners in the business.
   Geo. H. Whitney invests: Cash, 6324.34; A. C. Holden's note, dated Jan. 7th last, at 60 days, with interest, 1200.00; Interest accrued to date.
   W. D. Welch invests: Cash, 6054.94; a note made by Bently & Gardner, dated Feb. 16th last, at 90 days, 1500.00; Discount to maturity.
   Sell for cash, 15 bbls. Flour, @ 9.25.
   Deposit in College Bank, cash, 12000.00.
2. Buy of Clark & Co., 300 bbls. Beef, @ 17.25; 50 bbls. Pork, @ 15.00. Give in payment, your note at 10 days, 5175.00; your note at 30 days, 750.00; both notes payable at College Bank, with interest.
   Take out policy of insurance for one year on property in store, 10,000.00. Pay premium at 1½ % in cash.
3. Receive cash of O. W. Jones, on %, 100.00.
4. Sell Redmond Bro's, Vienna, 25 bbls. Pork, @ 16.25; 25 bbls. Beef, @ 18.50. Receive in payment, cash, 168.75; their note at 20 days, with interest, payable at First National Bank, Vienna, 400.00. Balance on %.
6. Deposit cash in College Bank, 500.00.
   Buy of H. A. Trafford, House and Lot, 344 Plymouth Ave., for 6000.00. Assume a mortgage on same of 2000.00, with interest accrued from Jan. 2 last, 63 days, and pay him the balance by check on College Bank.
   Buy 500 bbls. Flour, @ 8.00, and pay for same by check on College Bank.
8. Pay White Bro's, to apply on %, B. C. Green's note rec'd 17th ult., less discount to maturity.
   Accept a draft at 10 days' sight, drawn on W. D. Welch by W. T. Owens, for his private account, 600.00.
10. Pay cash for Coal for office use, 12.80.
    Receive of D. B. Oliver, to apply on %, his check on Merchants' National Bank, 310.00.
11. Sell O. W. Jones, on %, 200 bbls. Flour, @ 9.25; 100 bbls. Beef, @ 18.50.
    A. C. Holden, whose note Whitney invested and guaranteed its payment, has compromised with his creditors at 50 %. Receive cash and charge the deficiency to Whitney's account.
12. Deposit in College Bank, Oliver's check, rec'd 10th inst.
    Pay Hill & Co. cash to balance %.
    Receive cash of O. W. Jones, on %, 3543.75.
13. Buy of Scott, Seymour & Scott, on %, 250 bbls. Pork, @ 15.00.
    Exchange checks with Wm. E. Scott for his accommodation, 500.00. His check is dated 16th inst.
15. Your note due to-day, with interest, has been charged to your % at College Bank.
16. Sell for cash, 100 bbls. Beef, @ 18.50.
    Wm. E. Scott being unable to provide for the check rec'd of him 13th inst., gives you his note at 10 days, with interest, endorsed by Morgan & Howe.
18. Draw a draft on Redmond Bro's at 60 days, for 200.00, and get it discounted at College Bank, receiving credit for the proceeds.
    Sell D. B. Oliver, on %, 150 bbls. Pork, @ 16.25; 100 bbls. Flour, @ 9.25.
    Insure the House No. 344 Plymouth Ave. for 4000.00, at 1½ %, for one year. Pay premium in cash.
21. Receive of O. W. Jones, to balance %, his note at 60 days for 250.00.
    Accept Scott, Seymour & Scott's draft on you at 5 days' sight, payable at College Bank, to apply on %, 2000.00.
    Pay an acceptance due to-day in cash.
23. Your note due to-day has been charged to your % at College Bank.
    Student and Geo. H. Whitney doubting the responsibility of O. W. Jones, whose note the firm holds, W. D. Welch offers to buy the note at 75 % of its face, which offer is accepted. Make an entry to adjust the transaction.
24. Pay White Bro's cash on %, 100.00.
26. Buy of Geo. J. Marsh, 150 bbls. Flour, @ 8.00; 50 bbls. Beef, @ 17.25. Give him your note at 60 days, payable at College Bank, for 500.00, and check on College Bank for balance.
    Pay cash for permanent repairs and improvements on House No. 344 Plymouth Ave., 575.00
27. Receive cash for a note due to-day.

28. Sell Redmond Bro's, 200 bbls. Flour, @ 9.25; 165 bbls. Pork, @ 16.25. Receive their note at 30 days, 2000.00. Balance on %.
Deposit cash in College Bank, 5000.00.
Clark & Co., who hold your note for 750.00, given them 2d inst., offer to discount 25.00 and the accrued interest if you will pay it to-day. Accept their proposition and give them a check on College Bank.

29. Your acceptance due to-day has been charged to your % at College Bank.
Sell the House and Lot No. 344 Plymouth Ave. to Jas. W. Fonda for 6500.00. In addition to this price, he allows you for the permanent repairs and improvements paid for the 26th inst., and also 7.50 on the insurance paid 18th inst. He assumes in payment the mortgage of 2000.00 and accrued interest; gives you his check on Mechanics' Savings Bank for 2103.83, and a mortgage upon the property for the balance.
Receive cash for a note due to-day.

31. Receive cash of D. B. Oliver, to balance %, 3562.50.
Pay Salaries and Rent of Store in cash, 100.00.
Deposit cash in College Bank, 7000.00.

INVENTORIES, MARCH 31, 188–.

MDSE.—150 bbls. Flour, @ 8.00; 140 bbls. Beef, @ 17.25.
EXPENSE.—Insurance unearned, 137.50; Office Safe, valued at 5 % below cost.

Balance the Cash Book. Cash on hand, 1790.66. Post and make out a Balance Sheet. Net Gain for the month, 1674.95. Close the Ledger and prove the balances as heretofore instructed. Present your books and proof of the balances to the teacher before proceeding with the next set.

QUESTIONS FOR REVIEW.

Page 81.—[1] What is the distinguishing feature of Single Entry book-keeping? [2] To what extent is it necessary to record business transactions in Single Entry? [3] What books are generally used? [4] What additional books are sometimes employed? [5] In Single Entry, why can you not show in detail your gains and losses? [6] How do you determine your Net Gain or Net Loss? [7] When will the results exhibit a Net Loss?

Page 85.—[8] What is the first step preparatory to changing books from Single to Double Entry? [9] The second step? [10-11] Why must the Present Worth be found before the Net Gain or Net Loss can be determined? [12] What additional accounts is it necessary to open to change the Ledger to Double Entry? [13] What is the final step to place the Ledger in balance? [14] Why is the Ledger then in balance?

Miscellaneous.—From what sources do you get the information necessary to make out a statement of the Resources and Liabilities? Could you find your Net Gain or Net Loss if you did not know what you were worth at commencing? Could you find your present worth? If in making out the statement preparatory to changing to Double Entry, a resource should be omitted, how would it affect the Net Gain? What entry would be made in the Double Entry books to correct such an omission?

SPECIAL COLUMN JOURNAL.

[1] The Special Column Journal is a Journal provided with special or separate columns for those items which occur most frequently in the business.

[2] The advantage of using this form of Jonrnal is in the saving of time and labor by not posting to the accounts the separate items which are carried to the special columns, [3] the footings only of these columns being posted daily, weekly or monthly, as desired.

[4] All items for which no special columns are provided are placed in the General or Sundries column, and each item posted separately, as in the ordinary Journal form.

In the form illustrated on page 94 two special columns, Cash and Mdse., are used on each side of the Journal. [5] The number of special columns is not limited, however. [6] Any item which occurs with sufficient frequency, either upon the debit or credit side, to make it desirable, may have a special column provided for it. In many kinds of business it is desirable to provide a special column for Expense upon the debit side of the Journal.

[7] The columns are to be footed at the bottom of each page, and proved before being carried forward to the next page. [8] The sum of the three columns upon the debit side of the Journal must equal the sum of the three upon the credit side.

[9] In extending the amounts, particular care must be exercised, or errors will be made by extending amounts to the wrong columns. [10-11] The Ledger would not balance if a special column item were by mistake placed in the Sundries column, or a Sundries column item in a special column, because in the first case the amount would be omitted, and in the second case it would be posted twice.

The transactions for the preceding month of January are used in illustrating this method.

The books to be used are the Special Column Journal, Bill Book and Ledger. The form of the Journal is illustrated on pages 94–98.

Perform the work from the memoranda, however, consulting the illustrations only when necessary.

The letters J., C. B. and B. B., together with the notes given in the memoranda, apply to the Single Entry work, and are not to be observed in working this set.

January 1, 188-

Mdse.	Cash.	Sundries.	L.F.		L.F.	Sundries.	Cash.	Mdse.
				Commenced business this day, with the following Resources:				
		2500		Real Estate: Store and Lot.				
		225		Expense: Horse and Wagon:				
	500			Cash: On hand.				
				To Student Investment as above.		3225		
787 50				Mdse. To Smith, P. & Co.		787 50		
				Bot on acct. Invoice 1				
		84		A. Thompson, To Mdse.				84
				Aurora: 2 ch. J. Tea 70 lbs. 70 49.				
				2 " B. " 70 " 50 35.				
	175 38			Cash To Mdse.				175 38
				Sales pr. Cash Drawer				

					2	51		Mrs E Smith	To Mdse.							2	51
								27 Main St.	10 lbs C. Sugar 11¢	1.10							
									1 - J. Tea	55							
									2 - J. Coffee 28¢	56							
256	50						2	Mdse.	To Smith, P. & Co.		256	50					
									Bot on acct. Invoice 2								
					1	57	1	Wm. Johnson,	To Mdse.							1	57
								144 Lyell Ave	4½ lb. Mackerel 12¢	54							
									1 - B. Tea	55							
									2 - R. Coffee 24¢	48							
					300		3	Smith, P. & Co.	To Bills Pay.		300						
									Note on acct. per B.B.								
		15					4	Cash	To A. Thompson		15						
									Recd on acct.								
85							5	Mdse.	To Smith, P. & Co.		85						
									Bot on acct. Invoice 3								
1079		690	38	3113	08						4619				268	46	

JANUARY 3, 188–

MDSE.	CASH.	SUNDRIES.	L.F.		L.F.	SUNDRIES.	CASH.	MDSE.
1079	690 38	3113 08				4619		263 46
		6 18	12	Jas. Jamieson, To Mdse. 27 Broadway. 25 lbs. A Sugar, 10c., 2.50 4 " J. Tea, 80c., 3.20 2 " R. Coffee, 24c., .48				6 18
				5.				
		5	15	Expense, To Cash, Clerk's Salary.			5	
				"				
	246 75			Cash, To Mdse. Sales per cash drawer.				246 75
				6.				
		2 01	11	Mrs. E. Smith, To Mdse. 10 lbs. B. Sugar, 10c., 1 4¼ " Mackerel, 12c., .51 2 Wood Pails, 25c., .50				2 01
				"				
	8			Cash, To Wm. Johnson, Jas. Jamieson, Rec'd on account.	14 12	3 5		
				7.				
65 50				Mdse. To Bills Payable, Bo't of H. Gordon & Co., on note as per B. B., Invoice No. 4.	16	65 50		
				"				
		93	11	Mrs. E. Smith, To Mdse. 2 Wood Pails, 22c., .44 1 Broom, .25 1 lb. R. Coffee, .24				93
				"				
	127 64			Cash, To Mdse. Sales per cash drawer.				127 64
				8.				
		25	18	Bills Receivable, To A. Thompson, Rec'd note on %, per B. B.	14	25		
				9.				
		6 64	14	Wm. Johnson, To Mdse. 50 lbs. B. Sugar, 9½c., 4.75 1 Broom, .25 5 lbs. R. Coffee, 24c., 1.20 2 Wood Pails, 22c., .44				6 64
				"				
		6 50	15	Expense, To Cash, Coal for office.			6 50	
				10.				
		100	10	Smith, P. & Co., To Cash, Paid on %.			100	
1144 50	1072 77	3265 34				4717 50	111 50	653 61

JANUARY 10, 188–.

MDSE.	CASH.	SUNDRIES.	L.F.		L.F.	SUNDRIES.	CASH.	MDSE.
1144 50	1072 77	3265 34				4717 50	111 50	653 61
31 25				Mdse. To Geo. F. Doyle, Bo't on a/c, per Inv. No. 5.		31 25		
				〃				
96				Mdse. To Wm. Johnson, 4 lbs. R. Coffee returned, 24c.		96		
				11.				
		75 50		A. Thompson, To Mdse.				100 50
	25			Cash,				
				10 bbls. Salt, 1.40, 14.				
				2 ch. J. Tea, 70 lbs., 70c., 49.				
				3 bbls. B. Sugar, 375 lbs., 10c., 37.50				
				Rec'd cash, 25.				
				Balance on a/c, 75.50				
				12.				
		10		Expense, To Cash,			10	
				〃				
	1 50			Cash, To Mrs. E. Smith, Rec'd on a/c.		1 50		
				13				
		150		Smith, P. & Co., To Cash,			50	
				Bills Payable.		100		
				Paid on a/c, cash, 50.				
				Note per B. B., 100.				
				〃				
		3 80		Wm. Johnson, To Mdse.				3 80
				10 lbs. A Sugar, 10c., 1.				
				2 " J. Tea, 85c., 1.70				
				5 " R. Coffee, 22c., 1.10				
				14.				
31 25				Mdse. To Geo. F. Doyle, Bo't on a/c, per Inv. No. 6.		31 25		
				〃				
	25			Cash, To Bills Receivable, Rec'd of A. Thompson, for his note due to-day per B. B.		25		
				〃				
	358 40			Cash, To Mdse. Sales per cash drawer.				358 40
				15.				
		25		Geo. F. Doyle. To Cash, Paid his sight draft.			25	
				〃				
		25		Expense, To Cash, Paid Book-keeper's salary.			25	
1207 96	1482 67	3554 64				4907 46	221 50	1116 31

JANUARY 15, 188–.

MDSE.	CASH.	SUNDRIES.	L.F.		L.F.	SUNDRIES.	CASH.	MDSE.
1207 96	1482 67	3554 64				4907 46	221 50	1116 31
		119 50		Bills Receivable, To A. Thompson, Rec'd his note per B. B. to balance a/c.		119 50		
				"				
		3 75		Jas. Jamieson, To Mdse.				3 75
				10 lbs. B. Sugar, 9½c., .95				
				2 " J. Tea, 80c., 1.60				
				5 " R. Coffe, 24c., 1.20				
				16.				
		300		Bills Payable, To Cash, Paid note favor Smith, P. & Co.			300	
1207 96	1482 67	3977 89				5026 96	521 50	1120 06
		1482 67	15	Cash,	15	521 50		
		1207 96	16	Mdse.	16	1120 06		
		6668 52				6668 52		

[12] You may now balance the Journal as illustrated above, and post the foregoing transactions. [13] Post the *totals only* of Cash and Mdse., as shown by the footings of those columns, the footings on the left side to the debit and the footings on the right side to the credit of those accounts. (*See Cash account below.*) All items in the Sundries columns are to be posted separately, as in the ordinary Journal form. You may use the Ledger Folio (Ledger page) instead of ✓ to check the posting in this set. See L. F. column, page 96. The items in the Sundries columns only, require checking.

CASH.

188–						188–					
Jan.	16	Sundries,	3	1482	67	Jan.	16	Sundries,	3	521	50

After you have finished posting, take a Trial Balance, and then continue the same form of Journal through January. At the end of January balance your Journal, as illustrated above, post, make out a Balance Sheet and close the Ledger. Your results should agree with those given at the bottom of page 88, except the Net Gain, which should be 394.08.

Present your books, with a proof of the balances, to the teacher for inspection.

QUESTIONS FOR REVIEW.

Page 93.—[1] Describe the Special Column Journal. [2] What is the advantage of its use? [3] How is this advantage secured? [4] What disposition is made of items for which no special columns are provided? [5] Is the number of special columns limited? [6] Upon what does the opening of a special column for any particular item depend? [7] How frequently are the items to be footed and proved? [8] How are they to be proved? [9] What error is to be particularly guarded against? [10] What would be the effect upon the Ledger if a special column item were extended to the Sundries column? Why? [11] If a Sundries column item were extended to a special column? Why?

Page 98.—[12] How is the Journal balanced? [13] How is the posting done?

METHOD OF BOOK-KEEPING

ADAPTED TO THE REQUIREMENTS OF THE

EXECUTOR OF A WILL.

The following set is designed to illustrate the closing up of the estate of a person deceased by the Executor of the Will. The Student is supposed to be the Executor, and will act as the personal representative of the deceased. He will take possession of all property of whatever character, and, after discharging all liabilities, will divide the remainder of the estate among the legal representatives of the deceased, in accordance with the the terms of the Will.

The books to be used are the Journal and Ledger.

April 1, 188_

Having been appointed Executor of the will of the late John H. Warner, I have this day made a schedule of the real and personal property of the deceased; assisted by Cornelius Crittenden and Byron Rogers as appraisers, viz:				
Real Estate	Homestead of 125 acres	12450		
	valued at 11250.			
	80 acres land in Mich, 1200.			
Live Stock	100 Sheep 250. — 4 Horses 400. — 650.	9,65		
	2 Colts 80. — 6 Cows 180 — 260.			
	5 Hogs 30 — Poultry 25. — 55.			
Implements	Harness 00.	1250		
and Fixtures	Machinery and Utensils 450.			
	Carriage 100 — Furniture 600. 700.			
Judgmt Rec.	Against D. Gray, Jan. 16.	74	89	
Interest	On above to date		94	
U. S. Bonds	12-6% Bonds, 500 each, at par	6000		
Interest	On above to date	90		
Bills Rec.	W. S. Dunn, 90 days, Mar. 1.	1500		
Interest	On above to date.	7	75	
Bills Rec.	A. B. Enoch, 90 days, Feb. 20.	225		
Interest	On above to date	1	50	
John Lynch	Owes on account	40		
W. Burke	Owes on account	23	50	
Cash	On hand	125		
C. S. Bank	On deposit	980		
Interest	On above from Jan. at 5%	12	25	
To Warner Est.	Total resources			23745 03

APRIL 188–.

1. You (Student) have been appointed Executor of the Will of the late John H. Warner. The Will provides that the widow of deceased, Eliza St. Clair Warner, shall have one-third of all property belonging to the estate, and that the children, viz: John W., Mrs. Mary Warner Roberts, William H., Jennie E. and George S., shall each receive one-fifth of the remainder of such property.

   A schedule of the real and personal estate of the deceased, made by yourself, assisted by Cornelius Crittenden and Byron Rogers, as appraisers, exhibits as follows (*see entry on page 100*):

   125 acres of land, including buildings, constituting the Homestead, @ 90.00 per acre; 80 acres of land in Michigan, @ 15.00; 100 Sheep, @ 2.50; 4 Work Horses, 100.00 each; 2 Yearling Colts, 40.00 each; 6 Cows, 30.00 each; 5 Hogs, 6.00 each; Poultry, estimated at 25.00; Harness, estimated at 100.00; Machinery and Utensils, estimated at 450.00; Carriage, estimated at 100.00; Household Furniture, estimated at 600.00; Judgment against D. Gray, dated Jan. 16th last, 74.89; Interest accrued 75 days on above; 12 Water Works 6 % Bonds, 500.00 each at par; Interest accrued on same from Jan. 1 last, 3 months; Note of W. S. Dunn, at 90 days from March 1 last, with interest, 1500.00; Interest accrued 31 days on above note; Note of A. B. Enoch, at 90 days from Feb. 20 last, with interest, 225.00; Interest accrued 40 days on above note; John Lynch owes on %, 40.00; William Burke owes on %, 23.50; Cash on hand, 125.00; On deposit in Citizens' Savings Bank, 980.00; Interest accrued on above deposit from Jan. 1 last, 3 months, at 5 % per annum.

2. You have ascertained that deceased was indebted to the following persons in the sums named: James Bryant, on account of Blacksmithing, 43.50; A. B. Enoch, Store account, 79.80; Patrick Maloy, on account of Ditching, 16.25.
3. Deposit in Germania Bank, cash, 125.00.
4. Sell this day, at auction, the following personal property: 100 Sheep, @ 2.85 per head, to John Martin, on his note at 3 mos. with interest, endorsed by Byron Devins, payable at Germania Bank; 2 Work Horses, 94.00 and 140.00, to Wm. Gray, on his note at 3 mos. with interest, endorsed by John H. Bly, payable at Germania Bank; 2 Work Horses, 102.50 and 110.00, to Jerome B. Stevenson for cash; 2 Yearling Colts, 34.00 and 48.00, to William Fenner, on his note at 3 mos. with interest, endorsed by Calvin Davis, payable at Germania Bank; 2 Cows, 28.50 and 31.00, to Ira McCall for cash; 4 Cows, 34.00, 33.00, 29.75 and 41.00, to William Chappell, on his note at 3 mos. with interest, endorsed by Thos. Eddy, payable at Germania Bank; 5 Hogs, @ 4.50 each, to Samuel N. Messner for cash; Poultry, to Anson H. Wells for cash, 24.00.

   Harness, to Patrick Murphy, on his note at 3 mos. with interest, endorsed by M. B. Flynn, payable at Germania Bank, for 88.00; Carriage, to Owen Storrs for cash, 98.00; Farming Utensils, bought by John W. Warner and charged to his account, 415.00; Household Furniture, bought by the widow of deceased and charged to her account, 588.50.

5. Deposit in Germania Bank, cash, 416.50.
6. Pay Jas. Bryant and P. Maloy in full of account, by check on Germania Bank.
9. A. B. Enoch pays his note and interest to date in cash, after deducting the amount due him on %.
10. Pay Probate Judge's fee, 50.00, and Auctioneer's bill, 15.00, by check on Germania Bank.

    Patrick Murphy offers to pay his note at its face, which offer you accept.

16. Sell the Water Works Bonds to D. W. Powers for cash at par, with accrued interest added.

    Deposit in Germania Bank, cash, 6340.00.

17. Collect amounts due from John Lynch and Wm. Burke, in cash.
18. Wm. H. Warner desiring to purchase the 80 acres of Michigan land at the appraised valuation, it has been deeded to him and charged to his account.
19. Have the following interest bearing notes discounted at Germania Bank, at 8 % discount, and have the proceeds credited: John Martin's note, 285.00; Wm. Gray's note, 234.00; Wm. Fenner's note, 82.00; Wm. Chappell's note, 137.75.

    NOTE.—Get the interest on the face of the notes from their date to maturity at 6 per cent., and then discount the amount at 8 per cent. for the time the notes have yet to run, 2 mo. 18 days.

20. Mrs. Mary Warner Roberts takes the note of Wm. S. Dunn at its face, with accrued interest, to apply upon her share in the estate.

    Draw amount on deposit in Citizens' Savings Bank, and deposit it, together with the accrued interest, in Germania Bank.

28. Sell Redmond Bro's, 200 bbls. Flour, @ 9.25; 165 bbls. Pork, @ 16.25. Receive their note at 30 days, 2000.00. Balance on %.
Deposit cash in College Bank, 5000.00.
Clark & Co., who hold your note for 750.00, given them 2d inst., offer to discount 25.00 and the accrued interest if you will pay it to-day. Accept their proposition and give them a check on College Bank.

29. Your acceptance due to-day has been charged to your % at College Bank.
Sell the House and Lot No. 344 Plymouth Ave. to Jas. W. Fonda for 6500.00. In addition to this price, he allows you for the permanent repairs and improvements paid for the 26th inst., and also 77.50 on the insurance paid 18th inst. He assumes in payment the mortgage of 2000.00 and accrued interest; gives you his check on Mechanics' Savings Bank for 2103.83, and a mortgage upon the property for the balance.
Receive cash for a note due to-day.

31. Receive cash of D. B. Oliver, to balance %, 3562.50.
Pay Salaries and Rent of Store in cash, 100.00.
Deposit cash in College Bank, 7000.00.

INVENTORIES, MARCH 31, 188–.

MDSE.—150 bbls. Flour, @ 8.00; 140 bbls. Beef, @ 17.25.
EXPENSE.—Insurance unearned, 137.50; Office Safe, valued at 5 % below cost.

Balance the Cash Book. Cash on hand, 1790.66. Post and make out a Balance Sheet. Net Gain for the month, 1674.95. Close the Ledger and prove the balances as heretofore instructed. Present your books and proof of the balances to the teacher before proceeding with the next set.

QUESTIONS FOR REVIEW.

Page 81.—[1] What is the distinguishing feature of Single Entry book-keeping? [2] To what extent is it necessary to record business transactions in Single Entry? [3] What books are generally used? [4] What additional books are sometimes employed? [5] In Single Entry, why can you not show in detail your gains and losses? [6] How do you determine your Net Gain or Net Loss? [7] When will the results exhibit a Net Loss?

Page 85.—[8] What is the first step preparatory to changing books from Single to Double Entry? [9] The second step? [10-11] Why must the Present Worth be found before the Net Gain or Net Loss can be determined? [12] What additional accounts is it necessary to open to change the Ledger to Double Entry? [13] What is the final step to place the Ledger in balance? [14] Why is the Ledger then in balance?

Miscellaneous.—From what sources do you get the information necessary to make out a statement of the Resources and Liabilities? Could you find your Net Gain or Net Loss if you did not know what you were worth at commencing? Could you find your present worth? If in making out the statement preparatory to changing to Double Entry, a resource should be omitted, how would it affect the Net Gain? What entry would be made in the Double Entry books to correct such an omission?

SPECIAL COLUMN JOURNAL.

[1] The Special Column Journal is a Journal provided with special or separate columns for those items which occur most frequently in the business.

[2] The advantage of using this form of Jonrnal is in the saving of time and labor by not posting to the accounts the separate items which are carried to the special columns, [3] the footings only of these columns being posted daily, weekly or monthly, as desired.

[4] All items for which no special columns are provided are placed in the General or Sundries column, and each item posted separately, as in the ordinary Journal form.

In the form illustrated on page 94 two special columns, Cash and Mdse., are used on each side of the Journal. [5] The number of special columns is not limited, however. [6] Any item which occurs with sufficient frequency, either upon the debit or credit side, to make it desirable, may have a special column provided for it. In many kinds of business it is desirable to provide a special column for Expense upon the debit side of the Journal.

[7] The columns are to be footed at the bottom of each page, and proved before being carried forward to the next page. [8] The sum of the three columns upon the debit side of the Journal must equal the sum of the three upon the credit side.

[9] In extending the amounts, particular care must be exercised, or errors will be made by extending amounts to the wrong columns. [10-11] The Ledger would not balance if a special column item were by mistake placed in the Sundries column, or a Sundries column item in a special column, because in the first case the amount would be omitted, and in the second case it would be posted twice.

The transactions for the preceding month of January are used in illustrating this method.

The books to be used are the Special Column Journal, Bill Book and Ledger. The form of the Journal is illustrated on pages 94–98.

Perform the work from the memoranda, however, consulting the illustrations only when necessary.

The letters J., C. B. and B. B., together with the notes given in the memoranda, apply to the Single Entry work, and are not to be observed in working this set.

January 1, 188-

Mdse.	Cash.	Sundries.	L.F.			L.F.	Sundries.	Cash.	Mdse.
				Commenced business this day, with the following Resources:					
		2500		Real Estate:	Store and Lot.				
		225		Expense:	Horse and Wagon.				
	500			Cash:	On hand.				
				To Student	Investments as above.		3225		
787 50				Mdse.	To Smith, P. & Co.		787 50		
					Bot. on acct. Invoice 1				
		84		A. Thompson, Aurora.	To Mdse.				84
					2 ch. J. Tea 70 lbs. 70¢ 49.				
					2 " B. " 70 " 50¢ 35.				
	175 38			Cash.	To Mdse.				175 38
					Sales pr. Cash Drawer				

				2	51		Mrs E Smith	To Mdse.						2	51
							27 Main St.	10 lbs A. Sugar 11¢	1 10						
								1 - J. Tea	85						
								2 - J. Coffee 28¢	56						
						2									
256	50						Mdse.	To Smith, P. & Co.		256	50				
								Bot on acct. Invoice 2							
						1									
				1	57		Wm Johnson	To Mdse.						1	57
							144 Lyell Ave	4 lb. Mackerel 12¢	54						
								1 - B. Tea	55						
								2 - R. Coffee 24¢	48						
						3									
				300			Smith, P. & Co.	To Bills Pay.		300					
								Note on acct. per B.B.							
						4									
		15					Cash	To A. Thompson		15					
								Rec'd on acct.							
						5									
95							Mdse.	To Smith, P. & Co.		95					
								Bot on acct. Invoice 3							
1079		690	38	3113	08					4619				263	46

JANUARY 3, 188–

MDSE.	CASH.	SUNDRIES.	L.F.		L.F.	SUNDRIES.	CASH.	MDSE.
1079	690 38	3113 08				4619		263 46
		6 18	12	Jas. Jamieson, To Mdse.				6 18
				27 Broadway.				
				25 lbs. A Sugar, 10c., 2.50				
				4 " J. Tea, 80c., 3.20				
				2 " R. Coffee, 24c., .48				
				5.				
		5	15	Expense, To Cash,			5	
				Clerk's Salary.				
				"				
	246 75			Cash, To Mdse.				246 75
				Sales per cash drawer.				
				6.				
		2 01	11	Mrs. E. Smith, To Mdse.				2 01
				10 lbs. B. Sugar, 10c., 1				
				4¼ " Mackerel, 12c., .51				
				2 Wood Pails, 25c., .50				
				"				
	8			Cash, To Wm. Johnson,	14	3		
				Jas. Jamieson,	12	5		
				Rec'd on account.				
				7.				
65 50				Mdse. To Bills Payable,	16	65 50		
				Bo't of H. Gordon & Co., on note as per B. B., Invoice No. 4.				
				"				
		93	11	Mrs. E. Smith, To Mdse.				93
				2 Wood Pails, 22c., .44				
				1 Broom, .25				
				1 lb. R. Coffee, .24				
				"				
	127 64			Cash, To Mdse.				127 64
				Sales per cash drawer.				
				8.				
		25	18	Bills Receivable, To A. Thompson,	14	25		
				Rec'd note on %, per B. B.				
				9				
		6 64	14	Wm. Johnson, To Mdse.				6 64
				50 lbs. B. Sugar, 9½c., 4.75				
				1 Broom, .25				
				5 lbs. R. Coffee, 24c., 1.20				
				2 Wood Pails, 22c., .44				
				"				
		6 50	15	Expense, To Cash,			6 50	
				Coal for office.				
				10.				
		100	10	Smith, P. & Co., To Cash,			100	
				Paid on %.				
1144 50	1072 77	3265 34				4717 50	111 50	653 61

JANUARY 10, 188–.

MDSE.	CASH.	SUNDRIES.	L.F.		L.F.	SUNDRIES.	CASH.	MDSE.
1144 50	1072 77	3265 34				4717 50	111 50	653 61
31 25				Mdse. To Geo. F. Doyle, Bo't on a/c, per Inv. No. 5.		31 25		
				"				
96				Mdse. To Wm. Johnson, 4 lbs. R. Coffee returned, 24c.		96		
				11.				
		75 50		A. Thompson, To Mdse.				100 50
	25			Cash,				
				10 bbls. Salt, 1.40, 14.				
				2 ch. J. Tea, 70 lbs., 70c., 49.				
				3 bbls. B. Sugar, 375 lbs., 10c., 37.50				
				Rec'd cash, 25.				
				Balance on a/c, 75.50				
				12.				
		10		Expense, To Cash,			10	
				"				
	1 50			Cash, To Mrs. E. Smith, Rec'd on a/c.		1 50		
				13				
		150		Smith, P. & Co., To Cash,			50	
				Bills Payable,		100		
				Paid on a/c, cash, 50.				
				Note per B. B., 100.				
				"				
		3 80		Wm. Johnson, To Mdse.				3 80
				10 lbs. A Sugar, 10c., 1.				
				2 " J. Tea, 85c., 1.70				
				5 " R. Coffee, 22c., 1.10				
				14.				
31 25				Mdse. To Geo. F. Doyle, Bo't on a/c, per Inv. No. 6.		31 25		
				"				
	25			Cash, To Bills Receivable, Rec'd of A. Thompson, for his note due to-day per B. B.		25		
				"				
	358 40			Cash, To Mdse. Sales per cash drawer.				358 40
				15.				
		25		Geo. F. Doyle, To Cash, Paid his sight draft.			25	
				"				
		25		Expense, To Cash, Paid Book-keeper's salary.			25	
1207 96	1482 67	3554 64				4907 46	221 50	1116 31

JANUARY 15, 188–.

MDSE.	CASH.	SUNDRIES.	L.F.		L.F.	SUNDRIES.	CASH.	MDSE.
1207 96	1482 67	3554 64				4907 46	221 50	1116 31
		119 50		Bills Receivable, To A. Thompson, Rec'd his note per B. B. to balance a/c.		119 50		
				"				
		3 75		Jas. Jamieson, To Mdse.				3 75
				10 lbs. B. Sugar, 9½c., .95				
				2 " J. Tea, 80c., 1.60				
				5 " R. Coffe, 24c., 1.20				
				16.				
		300		Bills Payable, To Cash, Paid note favor Smith, P. & Co.			300	
1207 96	1482 67	3977 89				5026 96	521 50	1120 06
		1482 67	15	Cash,	15	521 50		
		1207 96	16	Mdse.	16	1120 06		
		6668 52				6668 52		

[13] You may now balance the Journal as illustrated above, and post the foregoing transactions. [13] Post the *totals only* of Cash and Mdse., as shown by the footings of those columns, the footings on the left side to the debit and the footings on the right side to the credit of those accounts. (*See Cash account below.*) All items in the Sundries columns are to be posted separately, as in the ordinary Journal form. You may use the Ledger Folio (Ledger page) instead of √ to check the posting in this set. See L. F. column, page 96. The items in the Sundries columns only, require checking.

CASH.

188–						188–					
Jan.	16	Sundries,	3	1482	67	Jan.	16	Sundries,	3	521	50

After you have finished posting, take a Trial Balance, and then continue the same form of Journal through January. At the end of January balance your Journal, as illustrated above, post, make out a Balance Sheet and close the Ledger. Your results should agree with those given at the bottom of page 88, except the Net Gain, which should be 394.08.

Present your books, with a proof of the balances, to the teacher for inspection.

QUESTIONS FOR REVIEW.

Page 93.—[1] Describe the Special Column Journal. [2] What is the advantage of its use? [3] How is this advantage secured? [4] What disposition is made of items for which no special columns are provided? [5] Is the number of special columns limited? [6] Upon what does the opening of a special column for any particular item depend? [7] How frequently are the items to be footed and proved? [8] How are they to be proved? [9] What error is to be particularly guarded against? [10] What would be the effect upon the Ledger if a special column item were extended to the Sundries column? Why? [11] If a Sundries column item were extended to a special column? Why?

Page 98.—[12] How is the Journal balanced? [13] How is the posting done?

METHOD OF BOOK-KEEPING

ADAPTED TO THE REQUIREMENTS OF THE

EXECUTOR OF A WILL.

The following set is designed to illustrate the closing up of the estate of a person deceased by the Executor of the Will. The Student is supposed to be the Executor, and will act as the personal representative of the deceased. He will take possession of all property of whatever character, and, after discharging all liabilities, will divide the remainder of the estate among the legal representatives of the deceased, in accordance with the the terms of the Will.

The books to be used are the Journal and Ledger.

April 1, 18--

Having been appointed Executor of the will of the late John R. Warner, I have this day made a schedule of the real and personal property of the deceased; assisted by Cornelius Crittenden and Byron Rogers as appraisers, viz:

Real Estate	Homestead of 125 acres	12450		
	valued at 11250			
	80 acres land in Mich. 1200			
Live Stock	100 Sheep 250. — 4 Horses 400. — 650.	9,65		
	2 Colts 80. — 6 Cows 180. — 260.			
	5 Hogs 30. — Poultry 25. — 55.			
Implements	Harness 90.	1250		
and Fixtures	Machinery and Utensils 450.			
	Carriage 100. — Furniture 600. 700.			
Judgm't Rec.	Against D. Gray, Jan. 16.	74	50	
Interest	On above to date		94	
W. W. Bonds	12-6% Bonds, 500 each, at par	6000		
Interest	On above to date	90		
Bills Rec.	W. S. Dunn, 90 days, Mar. 1.	1500		
Interest	On above to date.	7	75	
Bills Rec.	G. B. Enoch, 90 days, Feb. 20.	225		
Interest	On above to date	1	50	
John Lynch	Owes on account	40		
W. Burke	Owes on account	23	50	
Cash	On hand	125		
C. S. Bank	On deposit	980		
Interest	On above from Jan. 1 at 5%	12	25	
To Warner Est.	Total resources			23745 03

APRIL, 188–.

1. You (Student) have been appointed Executor of the Will of the late John H. Warner. The Will provides that the widow of deceased, Eliza St. Clair Warner, shall have one-third of all property belonging to the estate, and that the children, viz: John W., Mrs. Mary Warner Roberts, William H., Jennie E. and George S., shall each receive one-fifth of the remainder of such property.

   A schedule of the real and personal estate of the deceased, made by yourself, assisted by Cornelius Crittenden and Byron Rogers, as appraisers, exhibits as follows (*see entry on page 100*):

   125 acres of land, including buildings, constituting the Homestead, @ 90.00 per acre; 80 acres of land in Michigan, @ 15.00; 100 Sheep, @ 2.50; 4 Work Horses, 100.00 each; 2 Yearling Colts, 40.00 each; 6 Cows, 30.00 each; 5 Hogs, 6.00 each; Poultry, estimated at 25.00; Harness, estimated at 100.00; Machinery and Utensils, estimated at 450.00; Carriage, estimated at 100.00; Household Furniture, estimated at 600.00; Judgment against D. Gray, dated Jan. 16th last, 74.89; Interest accrued 75 days on above; 12 Water Works 6 % Bonds, 500.00 each at par; Interest accrued on same from Jan. 1 last, 3 months; Note of W. S. Dunn, at 90 days from March 1 last, with interest, 1500.00; Interest accrued 31 days on above note; Note of A. B. Enoch, at 90 days from Feb. 20 last, with interest, 225.00; Interest accrued 40 days on above note; John Lynch owes on ℄, 40.00; William Burke owes on ℄, 23.50; Cash on hand, 125.00; On deposit in Citizens' Savings Bank, 980.00; Interest accrued on above deposit from Jan. 1 last, 3 months, at 5 % per annum.

2. You have ascertained that deceased was indebted to the following persons in the sums named: James Bryant, on account of Blacksmithing, 43.50; A. B. Enoch, Store account, 79.80; Patrick Maloy, on account of Ditching, 16.25.
3. Deposit in Germania Bank, cash, 125.00.
4. Sell this day, at auction, the following personal property: 100 Sheep, @ 2.85 per head, to John Martin, on his note at 3 mos. with interest, endorsed by Byron Devins, payable at Germania Bank; 2 Work Horses, 94.00 and 140.00, to Wm. Gray, on his note at 3 mos. with interest, endorsed by John H. Bly, payable at Germania Bank; 2 Work Horses, 102.50 and 110.00, to Jerome B. Stevenson for cash; 2 Yearling Colts, 34.00 and 48.00, to William Fenner, on his note at 3 mos. with interest, endorsed by Calvin Davis, payable at Germania Bank; 2 Cows, 28.50 and 31.00, to Ira McCall for cash; 4 Cows, 34.00, 33.00, 29.75 and 41.00, to William Chappell, on his note at 3 mos. with interest, endorsed by Thos. Eddy, payable at Germania Bank; 5 Hogs, @ 4.50 each, to Samuel N. Messner for cash; Poultry, to Anson H. Wells for cash, 24.00.

   Harness, to Patrick Murphy, on his note at 3 mos. with interest, endorsed by M. B. Flynn, payable at Germania Bank, for 88.00; Carriage, to Owen Storrs for cash, 98.00; Farming Utensils, bought by John W. Warner and charged to his account, 415.00; Household Furniture, bought by the widow of deceased and charged to her account, 588.50.

5. Deposit in Germania Bank, cash, 416.50.
6. Pay Jas. Bryant and P. Maloy in full of account, by check on Germania Bank.
9. A. B. Enoch pays his note and interest to date in cash, after deducting the amount due him on ℄.
10. Pay Probate Judge's fee, 50.00, and Auctioneer's bill, 15.00, by check on Germania Bank.

    Patrick Murphy offers to pay his note at its face, which offer you accept.
16. Sell the Water Works Bonds to D. W. Powers for cash at par, with accrued interest added.

    Deposit in Germania Bank, cash, 6340.00.
17. Collect amounts due from John Lynch and Wm. Burke, in cash.
18. Wm. H. Warner desiring to purchase the 80 acres of Michigan land at the appraised valuation, it has been deeded to him and charged to his account.
19. Have the following interest bearing notes discounted at Germania Bank, at 8 % discount, and have the proceeds credited: John Martin's note, 285.00; Wm. Gray's note, 234.00; Wm. Fenner's note, 82.00; Wm. Chappell's note, 137.75.

    NOTE.—Get the interest on the face of the notes from their date to maturity at 6 per cent., and then discount the amount at 8 per cent. for the time the notes have yet to run, 2 mo. 18 days.

20. Mrs. Mary Warner Roberts takes the note of Wm. S. Dunn at its face, with accrued interest, to apply upon her share in the estate.

    Draw amount on deposit in Citizens' Savings Bank, and deposit it, together with the accrued interest, in Germania Bank.

21. Pay Jennie E. Warner cash, 50.00.

23. John W. Warner has determined to purchase the homestead farm at the appraised valuation. You will charge it to his account. Papers are to be executed on the 29th inst.

26. Messrs. Rowley & Johnston, attorneys, have returned the amount collected on the judgment against D. Gray, 74.89, and interest to date, less their charge for collection, 10.00, and Sheriff's fees, 5.75. Receive balance in cash.

27. Deposit in Germania Bank, cash, 73.89.

NOTE.—You may now post and take a Trial Balance (not Balance Sheet), after which close the accounts showing losses and gains directly into the Warner Estate account.

28. Appropriate, by check on Germania Bank, your fee as Executor of the Will, as provided by law, viz: 5 % on the first 1000.00, 2½ % on the next 9000.00, and 1 % on the balance of the net credit to the estate, 23,798.98, not counting the liabilities or expenses. (*Debit Warner Estate for the fees.*)

NOTE.—Post the above entry and each entry hereafter as soon as it is journalized.

Having ascertained the present worth of the estate, as shown by the difference in the Warner Estate account, debit the Estate and credit Mrs. Eliza S. Warner her one-third, 7721.89, and the children, John W. Warner, Mrs. Mary Warner Roberts, Wm. H. Warner, Jennie E. Warner and Geo. S. Warner, each one-fifth of the remainder, as provided by the Will.

29. John W. Warner has this day executed a mortgage on the homestead farm for the balance due Mrs. Eliza S. Warner from the estate.

John W. Warner has executed a second mortgage on the homestead to Jennie E. Warner, for the balance due from him to the estate.

30. Give Mrs. Roberts, Wm. H. Warner, Jennie E. Warner and George S. Warner checks on Germania Bank, for amounts due them.

NOTE.—All of the accounts in your Ledger should now balance.

QUESTIONS FOR REVIEW.

What does the foregoing set illustrate? How is an Executor appointed? What are his duties? How are his fees computed? How is the amount found upon which they are computed? Why will every account balance at the close?

PETTY LEDGER.

[1] The following set is designed to illustrate a method of book-keeping by which all *transient* accounts may be kept without opening them in the principal Ledger.

[2] An auxiliary Ledger, called the Petty Ledger, is employed, in which all accounts are opened that are not likely to be permanent, active accounts; and in the principal or main Ledger an account called Petty Accounts is opened, to represent these transient accounts and to keep the main Ledger in balance.

[3] This method saves space in, and facilitates taking a trial balance of, the main Ledger.

The books to be used are the Journal, Bill Book, Petty Ledger and Main Ledger.

MAY 1, 188–.

		CASH RECEIPTS.	SUNDRIES DR.	SUNDRIES CR.	MDSE. SALES.
	Commenced the Book and Stationery business, with the following Resources:				
Cash,	On hand,	1000			
Expense,	Furniture and Fixtures,		200		
E. W. Hoag,	Owes on account,		350		
To Student,	Investment as above,			1550	
	2.				
Mdse.	Bought on account, per Invoice,		648 80		
To Fletcher & Co.,	No. 1, on file,			648 80	
	"				
R. C. Sidway,	2 doz. Rob. Arithmetics, 10.00–20.00,		33 50		
To Mdse.	1½ doz. K. Grammars, 9.00–13.50,				33 50
	3.				
Petty Accounts,	Sold G. W. Getman, on a/c, per P. L.		8 40		
To Mdse.					8 40
	4.				
Cash,	To apply on account,	100			
To E. W. Hoag,				100	
	5.				
Bills Receivable,	Sold Brown, per B. B.,		45		
To Mdse.	20 H. S. Dictionaries, 2.25,				45
	"				
Cash,	Rec'd of G. W. Getman, on acct.,	5			
To P. A.				5	
	6.				
Cash,	Sales, per Cash Drawer,	28 12			
To Mdse.					28 12
	7.				
Fletcher & Co.	Gave them note to apply on account,		175		
To Bills Payable,	per B. B.,			175	
	"				
P. A.	Sold Marsh & Grant, on account,		24 75		
To Mdse.	per P. L.,				24 75
	9.				
Mdse.	Bought on account, as per Invoice		526 25		
To Barnes & Co.	No. 2,			526 25	
	10.				
Atkinson & Boyd,	10 reams Foolscap, 2.25–25.50,		62 50		
To Mdse.	25 M. Buff Envelopes, 1.60–40.00,				62 50
	"				
Cash,	To apply on account,	15			
To R. C. Sidway,				15	
	11.				
City Bank,	Deposited,		500		
To Cash,				500	
	12.				
Fletcher & Co.	Check to apply on account,		350		
To City Bank,				350	
	13.				
Cash,	Cash Sales for the day,				
To Mdse.		36 04			36 04
	Forward,	1184 16	2924 20	3870 05	238 31

MAY, 188–.

NOTE.—[4] The form of Journal illustrated on page 104, you will observe, is provided with additional columns, in which the sales of Mdse. and the receipts of Cash only are to be entered, the object being to facilitate posting. The footings of these columns are to be carried forward from page to page until the end of the month, and the totals then posted to their respective accounts. Post the footing of the Cash Receipts column to the debit of Cash account, and the footing of the Mdse. Sales column to the credit of Mdse. account. Rule the additional columns in your Journal, if they are lacking.

1. Commence the Book and Stationery business with the following Resources: Cash on hand, 1000.00; Furniture and Fixtures, valued at 200.00; E. W. Hoag, City (*M. L.*), owes on ℅, 350.00.

   NOTE.—Accounts which are to be opened in the Petty Ledger will be indicated in the memoranda by the letters P. L., and those to be opened in the Main Ledger by the letters M. L.

2. Receive from Fletcher & Co., New York (*M. L.*), a bill of Mdse. bought on ℅, as per Invoice No. 1, 648.80.
   Sell R. C. Sidway, Lakeville (*M. L.*), 2 doz. Robinson Arithmetic, @ 10.00 doz.; 1½ doz. Kerl's Grammar, @ 9.00.
3. Sell G. W. Getman, City (*P. L.*), 6 R. Arithmetic, @ 90c.; 3 Civil Government, @ 1.00. (*J. and P. L.*)

   NOTE.—Open an account with Getman in the Petty Ledger before making the journal entry. See form on page 106. As a matter of convenience the items are entered in the Petty Ledger and omitted from the Journal.

4. Receive cash of E. W. Hoag on ℅, 100.00.
5. Sell R. D. Brown, on his note at 10 days, 20 High School Dictionary, @ 2.25.
   Receive cash of G. W. Getman, to apply on ℅, 5.00. (*J.,* *and P. L.*)
6. Cash sales, as per Cash Drawer, 28.12.
7. Give Fletcher & Co. your note at 15 days, to apply on ℅, 175.00.
   Sell Marsh & Grant, Fairport (*P. L.*), 10 R. Arithmetic, @ 90c.; 10 K. Grammar, @ 75c.; 3 Knight's Commercial Law, @ 2.75.

   NOTE.—Make the entry first in the P. L. Give each account in the Petty Ledger one-fourth of a page space.

9. Receive of Barnes & Co., Boston (*M. L.*), a bill of Mdse. bought on ℅, as per Invoice No. 2, 526.25.
10. Sell Atkinson & Boyd, Eastport (*M. L.*), 10 reams Foolscap, @ 2.25; 25 M. Buff Envelopes, @ 1.60.
    Receive cash of R. C. Sidway on ℅, 15.00.
11. Open an account at City Bank and deposit cash, 500.00.
12. Give Fletcher & Co. your check on City Bank, to apply on ℅, 350.00.
13. Cash sales of Mdse., as per Cash Drawer, 36.04.
15. Give Barnes & Co. your check on City Bank, to apply on ℅, 100.00.
17. Receive cash of Marsh & Grant, to apply on ℅, 10.00.
    Sell R. C. Sidway, 15 Civ. Gov., @ 1.00; 10 H. S. Dictionary, @ 2.25; 25 gro. D. Pencils, @ 1.75.
18. Receive cash for a note due to-day.
20. Accept Fletcher & Co.'s draft on you at 10 days, to apply on ℅, 50.00.
21. Sell L. Ayrault, Nunda (*P. L.*), 20 reams Foolscap, @ 2.25; 25 M. White Envelopes, @ 1.75.
22. Buy for cash a draft of 200.00 on Ninth National Bank, Boston, at ¼ % exchange. Remit the draft to Barnes & Co., to apply on ℅.
23. Receive of Atkinson & Boyd, to apply on ℅, their draft at 1 day's sight on Marcus Greenfield, which Greenfield has accepted, 35.00.
24. Sell L. & G. Freeman, City (*P. L.*), 25 M. B. Envelopes, @ 1.60; 10 reams Foolscap, @ 2.25.
25. Pay your note due to-day in cash.
26. Draw a draft at sight on L. Ayrault, Nunda, to apply on ℅, 50.00, and deposit the draft in City Bank to your credit, less cost of collection, 25c. (*J. and P. L.*)
    Buy of Walker, Clinch & Co., City (*M. L.*), Mdse. as per Invoice No. 3, 462.38. Give them your check on City Bank, 62.38. Balance on ℅.
27. Receive cash for an acceptance due to-day.
28. Sell Atkinson & Boyd, 10 K. Commercial Law, @ 2.75; 20 R. Arithmetic, @ 90c.; 15 H. S. Dictionary, @ 2.25. Receive in payment, their note at 15 days, 50.00. Balance on ℅.
29. Receive cash of Marsh & Grant, to balance ℅.
30. Deposit in City Bank, cash, 300.00.
    Sell J. J. Sidway, Canton (*P. L.*), 40 gro. Steel Pens, @ 1.45; 25 gro. D. Pencils, @ 1.75.
31. Credit D. W. Clark, Book-keeper (*P. L.*), his salary for the month, 50.00.

FORM OF PETTY LEDGER ACCOUNTS.

G. W. GETMAN, City.

188–						188–				
May	3	6 Rob. Arith., 90c.	5	40		May	5	Cash,		5
		3 Civ. Gov't, 1.00	3							
			8	40						

MARSH & GRANT, Fairport.

188–						188–				
May	7	10 Rob. Arith., 90c.	9			May	17	Cash,		10
		10 K. Grammar, 75c.	7	50			29	"		14 75
		3 K. Com'l Law, 2.75	8	25						
			24	75						24 75

L. AYRAULT, Nunda.

188–						188–				
May	21	20 rms. Foolscap, 2.25	45			May	27	Draft,		50
		25 M. W. Env., 1.75	43	75						
			88	75						

L. & G. FREEMAN, City.

188–										
May	24	20 M. B. Env., 1.60	40							
		10 rms. Foolscap, 2.25	22	50						
			62	50						

INVENTORIES, MAY 31, 188–.

MERCHANDISE.—Per Inventory Book, ... 1203 88
EXPENSE.—Furniture and Fixtures, ... 200 00

You may now rule and foot the Journal and post the month's business, giving each account one-fourth of a page space, except Petty Accounts, which will require one-half of a page. Post the *footing only* of the Cash Receipts column to the debit of Cash account, and the footing of the Mdse. Sales column to the credit of Mdse. account, and omit the debit items of Cash and the credit items of Mdse. in posting from the Journal.

After you have completed the posting, prove first the Petty Ledger, as explained and illustrated below.

The Petty Ledger does not balance, but may be proved as follows: [6] Find the difference between the sides of the Petty Ledger, and compare it with the difference between the sides of the account with Petty Accounts, in the Main Ledger; the two differences should agree.

[6] The reason of this is obvious, since for every entry made in the Petty Ledger a corresponding amount was entered to the same side of the account with Petty Accounts in the Main Ledger.

PETTY LEDGER, MAY 31, 188–.

1	G. W. Getman, - - - - - - - - - - -	8	40	5		
1	L. Ayrault, - - - - - - - - - - -	88	75	50		
1	L. & G. Freeman, - - - - - - - - - - -	62	50			
1	J. J. Sidway, - - - - - - - - - - -	101	75			
2	D. W. Clark, - - - - - - - - - - -			50		
		261	40	105		

PROOF.

Petty Accounts, Dr.	286 15	Petty Ledger, Dr.	261 40
" " Cr.	129 75	" " Cr.	105 00
Balance, ...	156 40	Balance, ...	156 40

After proving the Petty Ledger, make out a Balance Sheet from the Main Ledger, and close the accounts showing losses and gains, preparatory to taking a partner June 1st. The results shown by your Balance Sheet should be as follows:

SUMMARY, MAY 31, 188–.

Total Resources,	2467 56	Total Gains,	218 26
" Liabilities,	750 05	" Losses,	50 75
Present Worth,	1717 51	Net Gain,	167 51

JUNE, 188–.

1. Admit F. E. Craigie as a partner, with a cash investment equal to your present worth.
2. Sell Baker Bro's, Ridgeway (*P. L.*) 5 Rob. Arithmetic, @ 90c.; 10 K. Grammar, @ 75c.; 5 reams Foolscap, @ 2.25.
   Deposit in City Bank, cash, 1500.00.
   Pay your acceptance due to-day in cash.
3. Receive R. C. Sidway's check on Farmers' Bank, Lakeville, to balance his %.
4. Sell W. & E. Palmer, Havana (*P. L.*), 25 M. White Envelopes, @ 1.75; 25 Civ. Government, @ 1.00; 20 gro. D. Pencils, @ 1.75.
   Deposit Sidway's check rec'd 3d inst. in City Bank, less collection, 25c.
5. Receive cash of L. & G. Freeman in full of %.
6. Pay D. W. Clark, Book-keeper, cash to apply on last month's salary, 25.00.

   NOTE.—Debit Petty Accounts instead of Expense. See entry May 31.

7. Sell G. W. Getman, 20 M. Buff Envelopes, @ 1.60; 15 H. S. Dictionary, @ 2.25; 10 Com. Law, @ 2.75.
8. Receive from Fletcher & Co., New York, a bill of Mdse. bought on % per Inv. No. 4, 268.60.
9. Cash sales, per Cash Drawer, 52.94.
10. The draft drawn on L. Ayrault, May 26, has been returned unpaid. Protest fees, 1.25. Give City Bank your check to take up the draft, 51.25.

    NOTE.—Charge the fees to Ayrault, it having been agreed that you should draw upon him at that time.

11. Receive cash of E. W. Hoag on %, 150.00.
    Give Walker, Clinch & Co., your note at 10 days, payable at City Bank, to apply on %, 200.00.
13. Sell R. C. Sidway, 500 gro. Crayon, @ 11c.; 50 reams Letter Paper, @ 2.10.
    Deposit cash in City Bank, 250.00.
14. Receive cash of G. W. Getman on %, 25.00.
    Sell R. W. Howard, Bluff Point (*P. L.*), 10 Com. Law, @ 2.75; 15 M. Buff Envelopes, @ 1.60; 12 K. Grammar, @ 75c.
15. Receive cash for a note due to-day.
    Cash sales, per Cash Drawer, 21.50.
16. Sell G. W. Getman, 10 reams Letter Paper, @ 2.10; 200 gro. Crayon, @ 11c.
    Buy of Walker, Clinch & Co., Mdse. per Invoice No. 5, 689.32. Give them in payment, check on City Bank, 289.32: your note at 60 days for balance, payable at City Bank.
17. Receive from Baker Bro's, a Postal Money Order, to apply on %, 10.00.
18. Buy at City Bank, by check, a draft on the Ninth National Bank of Boston, 226.25, at ¼ % exchange, and remit the draft to Barnes & Co., to balance %.
19. Transfer G. W. Getman's account to the Main Ledger, it having proved to be a permanent and active account.

    NOTE.—Close the account in the P. L. Say, on the credit side, Bal. to M. L. Then make an entry in the Journal: G. W. Getman, To Petty Accounts.

20. Receive of Atkinson & Boyd, their note at 45 days, to balance %, 56.75.
    Buy of Stein & Co., City (*P. L.*), one Show Case for Store, 35.00.
21. Receive from W. & E. Palmer, to apply on %, their sight draft for 50.00 on Farley & Ferguson, which F. & F. pay by their check on Commercial Bank.
    Sell Findley & Morris, Groveland (*P. L.*), 5 gro. Steel Pens, @ 1.45; 10 R. Arithmetic, @ 90c.
22. Student draws cash for private use, 50.00.

22. Sell Atkinson & Boyd, 25 K. Com. Law, @ 2.75.
23. Receive cash of L. Ayrault to balance %, 90.00.
24. Your note due to-day at City Bank has been charged to your account.
    D. W. Clark draws balance of last month's salary in cash, 25.00.
    Receive from Barnes & Co., a bill of Mdse bought on %, per Invoice No. 6, 822.48.
25. Sell Alfred Carter, Newport (*P. L.*), 20 reams Letter Paper, @ 2.10; 25 M. White Envelopes, @ 1.75. Receive in payment, cash, 45.00. Balance on %.
26. Receive cash of J. J. Sidway on %, 58.00.
27. Sell Frank Siddons, City (*P. L.*), 1 Com. Law, 3.00; 1 R. Arithmetic, 1.00.
28. Pay Fletcher & Co.'s sight draft on you by check on City Bank, 73.80.
29. Sell G. W. Getman (*M. L.*), 25 Civ. Government, @ 1.00; 10 Com. Law, @ 2.75.
30. F. E. Craigie draws for private use, by check on City Bank, 50.00.
    Give D. W. Clark credit for his month's salary, 50.00.

INVENTORIES, JUNE 30, 188–.

MERCHANDISE.—Per Inventory Book,	2452 38
EXPENSE.—Furniture and Fixtures,	235 00

Rule and foot the Journal and post the month's business. Remember that the footings only of the Cash Receipts and Mdse. Sales columns need be posted. After you have completed the posting, prove the Petty Ledger, as instructed for last month. The accounts in the Petty Ledger need not be closed. Make out a Balance Sheet and close the accounts in the Main Ledger.

Net Gain for the month,	202 72
Balance of Petty Accounts,	147 25

[8] Another method of keeping transient accounts is to open in the Main Ledger an account called "Miscellaneous Accounts," or some other appropriate title, under which all accounts not likely to be permanent, active accounts may be placed, instead of keeping them in a Petty Ledger, as illustrated below.

MISCELLANEOUS ACCOUNTS.

188–					188–				
May	3	G. W. Getman,	8	40	May	5	Cash, 5.		
	7	Marsh & Grant,	24	75	"	17	Cash, 10; May 29, 14.75	24	75
	21	L. Ayrault,	88	75	"	27	Draft, 50; Bal. 38.75	88	75
	24	L. & G. Freeman,	62	50					
	27	L. Ayrault, Bal.	38	75					
	30	J. J. Sidway,	101	75	June	26	Cash,	58	

[9] You will observe by the above form that the space occupied by each account is one line only. [10] When an account is settled, the credit is entered on the line directly opposite the debit, thus showing the account balanced. [11] When an account is not paid in full at one payment, the account may be closed and the balance unpaid transferred to a new line, or the payments may be short extended, as shown above. It is sometimes desirable to keep "Misc. Accounts Receivable" and "Misc. Accounts Payable."

Hand to the teacher, on a slip of paper, a proof of the balances brought down in closing the Ledger; also present your books for inspection.

QUESTIONS FOR REVIEW.

Page 103.—[1] What does the Petty Ledger set illustrate? [2] Describe the method. [3] What are the advantages to be derived from its use?

Page 105.—[4] What advantage is derived in this set from using an additional column for Mdse. sales?

Page 106.—[5] How is the Petty Ledger proved? [6] Explain the reason for it.

Page 107.—[7] What entry is made to transfer an account from the Petty Ledger to the Main Ledger?

Page 108.—[8] What other form may be used for keeping transient accounts to save space in the Main Ledger? [9] By this form, how much space does each transient account occupy? [10] When an account is settled, where is the credit entry made? [11] If an account is not paid in full at one payment, how is the entry made?

CASH METHOD.

[1] The method illustrated in the following set combines the Day Book, Journal and Cash Book in one book, called the Cash Journal, or simply Journal, in which book all entries are to be made, whether cash forms any part of the transaction or not.

[2] This form of book-keeping is best adapted to a business in which the transactions are mainly for cash.

[3] The principal advantages of the method are, that it employs a less number of books, and saves time and labor in posting cash.

RULES FOR CASH METHOD.

Decide what the journal entry would be for the transaction in the ordinary form, then:

First.—[4] If Cash be the only debit, enter all of the credit items on the left side, which debits Cash.

Second.—[5] If Cash be the only credit, enter all of the debit items on the right side, which credits Cash.

Third.—[6] If the entry consists of several debits and credits, one of which is Cash, *leaving out the Cash*, enter all the debits on the right side, which credits Cash, and enter all the credits on the left side, which debits Cash. The difference will show the cash received or paid out.

Fourth.—[7] If no Cash is involved in the transaction, enter the credits on the left side and the debits on the right side. The footings of the two sides will thus be increased equally, and the balance of cash will remain unchanged.

The books to be used in this set are the Cash Journal and Ledger.

Monday

Cash	To Sundries						
Student	Cash invested	20000					
E. A. Wooden	"	30000					
H. C. Sanford	Cash deposited	2000					
J. W. Gardner	"	3000					
Discount	On R. V. Smith's note						
	discted for C. G. Teall		9	60	55009	60	
					55009	60	

Tuesday

Balance					26707	10	
Bk of Comiree	Sold draft to Reynolds	2000					
Exchange	At ¼% on above draft	5					
Merchants Bk	Check for R. R. Stock	6250					
J. W. Gardner	Cash deposited	600					
Discount	On Benj. H. Craig's acpt.	5	75				
H. C. Sanford	Bal. credited on C's accpt.	994	25				
Bills Pay.	Acptd draft on E. Wooden	500					
N. Y. C. Stock	Sold 20 Shares at 130	2600			12955		
					39662	10	

Wednesday

Balance					30555	65	

July 5, 188-

Sundries	To Cash						
Bk of Comrce	Remitd cash for our credt	15000					
Merchants Bk	" " "	10000					
H. E Sankey	Paid his check on us	500					
Bills Rec	Discted for C. G. Teall	2500					
	and paid him the pro-						
	ceeds on Smith's note						
J. V. Gardner	Paid check on us	300					
Expense	Express charges		2	50	28302	50	
Balance	Cash on hand				26707	10	
					55009	60	

July 6, 188

H. E Sankey	Paid check on us	356	45				
N. Y. C. Stock	Bot 50 shares at 125	6250					
Bills Rec	Discted for H. E Sankey,	2000					
	Craig's acceptance						
	Paid Cash vouc, bal credtd						
E. A. Wooden	Accepted Sibley's draft	500			9106	45	
	Vs private accl						
Balance	Cash on hand				30555	65	
					39662	10	

July 7, 188

MONDAY, JULY 5, 188–.

Student and E. A. Wooden form a copartnership to engage in business as private Bankers and Brokers, in accordance with copartnership articles executed this day. The gains and losses are to be shared in proportion to the investment.

Student invests cash, 20,000.

Make the entry on the *left* side of the Journal, which credits Student and debits Cash. See form on page 110.

E. A. Wooden invests cash, 30,000. (*Same as previous entry.*)

Remit by express, to Bank of Commerce, New York, for your credit, cash, 15,000.

Make the entry on the *right* side of the Journal, which debits Bank of Commerce and credits Cash.

Receive cash of H. E. Sankey on deposit, 2000.

Make the entry on the *left* side, which credits Sankey and debits Cash.

Remit by express, to Merchants' Bank, Boston, for your credit, cash, 10,000.

Entry on *right* side of Journal.

Pay H. E. Sankey's check on you in cash, 500.

Entry on *right* side, which debits Sankey and Credits Cash.

Receive cash of J. W. Gardner on deposit, 3000.00.

Discount for C. G. Teall a note made by R. N. Smith, 2500.00. Discount, 9.60. Pay him the proceeds in cash, 2490.40.

Enter Bills Receivable, 2500, on the *right* side of the Journal, which debits Bills Receivable and credits Cash 2500. Then enter Discount, 9.60, on the *left* side, which credits Discount and debits Cash 9.60. Cash having been thus credited 2500 and debited 9.60, the *net credit* to Cash is 2490.40, as shown by the difference, the actual amount of cash paid out.

Pay J. W. Gardner's check on you in cash, 300.00.

Pay express charges on remittances to New York and Boston in cash, 2.50.

The Journal is now to be balanced for the day, as shown on pages 110–111. [8] It will be apparent that the footings of the Journal cannot exhibit the actual amount of cash received and disbursed, since in many of the entries a part only is cash, and in others no cash whatever is involved.

[9] The footing of the left side of the Journal represents the total credits of the business, except the credit of cash; [10] the footing of the right side the total debits of the business, except the debit of cash; [11] the difference between these footings must therefore exhibit the excess of cash received or paid out during the day. [12] The balance for the previous day being added to the footing of the left side of the Journal, the difference between the sides will then show the cash on hand.

After balancing the Journal, post the day's business. Give each account one-fourth of a page space. [13] In posting, credit all of the items upon the *left* side, and debit cash with the total of these items. The debit and credit sides of the Ledger are thus kept equal. Debit all of the items upon the *right* side, and credit Cash with the total of these items. Here again equal debits and credits are posted to the Ledger.

You may omit the explanations from the Ledger in posting this set. The work of Monday and Tuesday is posted in full below.

STUDENT.

								188– July	5			110	20000

E. A. WOODEN.

188– July	6				111	500		188– July	5			110	30000

H. E. SANKEY.

188– July	5				111	500		188– July	5			110	2000
	6				111	356	45		6			110	994 25

J. W. GARDNER.

188–					188–				
July	5		111	300	July	5		110	3000
						6		110	600

DISCOUNT.

					188–				
					July	5		110	9 60
						6		110	5 75

CASH.

188–						188–				
July	5		110	55009	60	July	5		111	28302 50
	6		110	12955			6		111	9106 45

BANK OF COMMERCE.

188–					188–				
July	5		111	15000	July	6		110	2000

MERCHANTS' BANK.

188–					188–				
July	5		111	10000	July	6		110	6250

BILLS RECEIVABLE.

188-										
July	5		111	2500						
	6		111	2000						

EXPENSE.

188–										
July	5		111	2	50					

EXCHANGE.

					188–				
					July	6		110	5

BILLS PAYABLE.

					188–				
					July	6		110	500

N. Y. C. & H. R. R. R. STOCK.

188–					188–				
July	6		111	6250	July	6		110	2600

TUESDAY, JULY 6, 188–.

Pay H. E. Sankey's check in cash, 356.45.

Sell M. F. Reynolds your sight draft on Bank of Commerce, 2000, at ¼ % exchange, 5.00. Receive cash, 2005.00.

Credit Bank of Commerce and Exchange on the left side of the Journal, which debits Cash.

Buy of Cook & Co., 50 shares N. Y. C. & H. R. R. R. Stock, @ 125.00 per share. Pay for same by check on Merchants' Bank.

Debit N. Y. C. & H. R. R. R. Stock on the right side of the Journal, which credits Cash. Credit Merchants' Bank on the left side, which debits Cash. The amount of 6250 having thus been entered on each side of the Journal, the balance of Cash remains unchanged by this entry.

Receive cash of J. W. Gardner on deposit, 600.00.

Discount, for H. E. Sankey, Benj. W. Craig's acceptance, 2000.00. Discount off, 5.75. Pay him cash, 1000.00, and place the balance to his credit. (*See Rule Third, on page 109.*)

Accept H. Sibley's draft on E. A. Wooden, for private %, 500.00. (*See Rule Fourth, page 109.*)

Sell 20 shares N. Y. C. & H. R. R. R. Stock, @ 130.00 per share, and receive cash.

You may now balance the Journal and post the day's work, as instructed for yesterday. [14] You will observe that the cash on hand for Monday is carried to the second column of the Journal in bringing the balance down on Tuesday, [15] so as to avoid including it in the footing of the items of Tuesday's business; otherwise Cash account would be again debited for the net receipts of the previous day.

WEDNESDAY, JULY 7, 188–.

Remit cash to Bank of Commerce, New York, by express, 10,000. (*Rule Second, page 109.*)

Receive cash of H. E. Sankey, on deposit, 375.00. (*Rule First, page 109.*)

Pay J. W. Gardner's check in cash, 76.25. (*Rule Second, page 109.*)

Sell 10 shares N. Y. C. & H. R. R. R. Stock for cash, @ 136.00. (*Rule First, page 109.*)

Discount, for Rob't C. Foy, Wells Bro's note, 800.00. Discount off, 3.27. Pay proceeds in cash, 796.73. (*Rule Third, page 109.*)

Buy for cash, 25 shares Park Bank Stock, @ 145.00. (*Rule Second, page 109.*)

Receive cash of H. C. Griffiths, on deposit, 1500.00.

Sell Geo. Archer your sight draft on Bank of Commerce, 1000.00. Exchange ¼ %, 2.50. Receive cash, 1002.50. (*Rule First, page 109.*)

Discount, for J. W. Gardner, Caring & Reed's note, 600.00. Discount off, 1.51. Proceeds placed to his credit, 598.49. (*Rule Fourth, page 109.*)

Pay Express charges on remittance to Bank of Commerce in cash, 1.75.

You may now balance your Journal. There should be eight entries on the left side and six on the right side. The balance of cash on hand should be 20,293.42. Post the day's business, and then take a Trial Balance. If correct, it should correspond with the following:

TRIAL BALANCE, JULY 7, 188–.

Student,				20000	
E. A. Wooden,	500			30000	
H. E. Sankey,	856	45		3369	25
J. W. Gardner,	376	25		4198	49
Discount,				20	13
Cash,	72805	37		52511	95
Bank of Commerce,	25000			3000	
Merchants' Bank,	10000			6250	
Bills Receivable,	5900				
Expense,	4	25			
Exchange,				7	50
Bills Payable,				500	
N. Y. C. & H. R. R. R. Stock,	6250			3960	
H. C. Griffiths,				1500	
Park Bank Stock,	3625				
	125317	32		125317	32

THURSDAY, JULY 8, 188–.

Sell 10 shares Park Bank Stock for cash, @ 150.00.

Pay H. C. Griffiths' draft on you, 500.00, less discount, 2.25, by check on Merchants' Bank, 497.75. (*Rule Fourth, page 109.*)

Receive cash on deposit of E. J. Howard & Co., 1275.00.

Buy of Reed & Hill, 60 shares N. Y. C. & H. R. R. R. Stock, @ 124¼. Pay for same by check on Merchants' Bank, 3000.00. Balance in cash. (*Rule Third, page 109.*)

Student appropriates cash for private use, 500.00.

Sell J. W. Gardner your sight draft on Bank of Commerce, New York, 3500.00, at ¼ % exchange. Receive his check on you in payment. (*Rule Fourth, page 109.*)

Pay sundry items of Telegraphing in cash, 1.45.

Receive cash on deposit of H. E. Sankey, 2350.00.

Pay your acceptance of 6th inst. in cash, 500.00.

Draw a sight draft on Bank of Commerce, 7500.00, and remit it to Merchants' Bank for your credit. (*Rule Fourth, page 109.*)

Pay Howard & Co.'s check in cash, 100.00.

Discount for J. W. Gardner his accommodation note, endorsed by Lee & Parker, payable at Bank of Commerce, New York, 1500.00. Discount off, 15.75. Proceeds to his credit.

Sell 20 shares N. Y. C. & H. R. R. R. Stock to Morgan & Reeves, @ 126¼. Receive in payment, their check on Fourth National Bank, New York, and remit same to Bank of Commerce, for your credit.

Balance your Journal, and post the day's business. There should be twelve entries on the left side, and ten on the right side. The cash on hand should be 19861.97.

FRIDAY, JULY 9, 188–.

Receive cash of R. N. Smith, for his note, 2500.00.

Accept E. J. Howard & Co.'s draft, in favor of H. C. Griffiths, to apply on %, 850.00.

Sell H. C. Griffiths, your sight draft on Bank of Commerce, 1500.00, at ¼ % exchange. Receive in payment, cash, 800.00; his check on you for the balance.

Receive cash of J. W. Gardner, on deposit, 265.50.

Sell Wm. Smith, 15 shares Park Bank Stock, @ 150.00. Receive cash, 550.00, and his note for the balance.

Pay H. E. Sankey's check in cash, 876.44.

Receive on deposit, of O. B. Welch, cash, 500.00, and issue him a Certificate of Deposit. (*Credit Certificate of Deposit instead of O. B. Welch.*)

Have J. W. Gardner's note for 1500.00, rec'd yesterday, re-discounted at Bank of Commerce. Discount off, 10.25. Proceeds to your credit.

Receive cash of H. C. Griffiths, on deposit, 200.00.

Protest Caring & Reed's note, 600.00, rec'd 7th inst., for non-payment. Pay the Notary Public's fees in cash, 1.35. (*Debit Protested Paper, 601.35. and credit Bills Receivable, 600.00.*)

Sell H. E. Sankey 40 shares N. Y. C. & H. R. R. R. Stock, @ 128. Receive his check on you, 3120.00, and his check on Chemical National Bank, New York, for the balance.

Receive cash of E. J. Howard & Co., on deposit, 2500.00.

Receive cash of Wells Bro's, for their note, 800.00, and interest on same, 4.25.

Balance your Journal and post the day's business. Cash on hand, 29103.93.

SATURDAY, JULY 10, 188–.

Receive cash on deposit of E. J. Howard & Co., 275.00.

Discount, for L. D. Briggs, Alonzo Stebbins' note, 890.00. Discount off, 17.80. Give him draft on Bank of Commerce for 500.00, at ¼ % exchange, and pay him the balance of the proceeds in cash.

Pay H. E. Sankey's check in cash, 317.28.

Buy 100 shares Western Union Telegraph Stock, @ 98¾. Give in payment, Wm. Smith's note, rec'd yesterday, 1700.00, less discount, 12.75; your check on Merchants' Bank, 6000.00, and cash for the balance.

J. W. Gardner, for whom you discounted Caring & Reed's note, protested yesterday, takes up the note by his check on you, 601.35.

Receive cash of H. E. Sankey, on deposit, 2000.00. Issue him a Certificate of Deposit for 1000.00, and place the balance to his credit.

Sell H. C. Griffiths, 50 shares W. U. Telegraph Stock, @ 101¼. Receive in payment, your acceptance of yesterday in his favor, 850.00, less discount, 11.83; a sight draft on Importers and Traders' Bank, New York, 1648.84; his check on you, 496.25; and currency for the balance.

Receive cash of J. W. Gardner, on deposit, 1750.00.

Remit to Bank of Commerce, for your credit, the check on Chemical National Bank rec'd yesterday, 2000.00, and the draft on Importers and Traders' Bank rec'd to-day, 1648.84.

Sell for cash, 25 shares W. U. Telegraph Stock, @ 100½.

Benj. W. Craig pays his acceptance rec'd 6th inst., 2000.00, and interest on same, 6.00, as follows: His check on Monroe Savings Bank, 1000.00; your Certificate of Deposit issued yesterday to O. B. Welch, 500.00; and currency for the balance.

Balance your Journal. Cash on hand, 34350.69. After posting the day's business, make a Balance Sheet and close the Ledger.

INVENTORIES, JULY 10, 188–.

20 shares N. Y. C. & H. R. R. R. Stock,	@	124¼
25 " W. U. Telegraph "	@	98¾

Net Gain of Firm, 754.31. Present Worth of Firm, 49,754.31.

NOTE.—Remember, in making the Summary and in closing the Loss and Gain account, that the Net Gain is to be shared by the proprietors in proportion to their investments. Hand to the teacher a proof of the balances brought down in closing the Ledger. Also present your books for inspection, and be prepared upon the following.

QUESTIONS FOR REVIEW.

Page 109.—[1] Define the Cash Method. [2] To what kind of business is it best adapted? [3] What are its principal advantages? [4] For transactions in which Cash is the only debit, how is the entry to be made in the Cash Journal? [5] How if Cash is the only credit? [6] How if there are several debits and credits, one of which is Cash? [7] How if no Cash enters into the transaction?

Page 112.—[8] Why do not the footings of the Journal show the cash received and disbursed? [9] What does the footing of the left side represent? [10] The right side? [11] What will the difference between these footings represent? [12] How is the balance of cash on hand found? [13] Explain the manner of posting and how the Ledger is kept in balance.

Page 114.—[14] In bringing down the balance of the previous day, to which column is it carried? [15] Why?

SHIPPING AND COMMISSION.

[1] This set is designed to illustrate a general business in shipping property to and receiving property from other parties, to be sold on commission. The same principles are involved as explained and illustrated on pages 55–57.

[2] In addition to the Journal, a Commission Sales Book and Cash Book are to be kept as [3] principal books. [4] Those entries only which pertain to consignments are to be made in the Sales Book. [5] Entries involving cash are to be made in the Cash Book. [6] All other entries are to be made in the Journal.

The simpler forms only of Commission Sales Book and Cash Book are illustrated in this set.

Special columns may sometimes be profitably introduced in these books, and when found advantageous, they can easily be added to meet the requirements of any particular branch of the Commission business.

22. Sell Atkinson & Boyd, 25 K. Com. Law, @ 2.75.
23. Receive cash of L. Ayrault to balance %, 90.00.
24. Your note due to-day at City Bank has been charged to your account.
    D. W. Clark draws balance of last month's salary in cash, 25.00.
    Receive from Barnes & Co., a bill of Mdse bought on %, per Invoice No. 6, 822.48.
25. Sell Alfred Carter, Newport (*P. L.*), 20 reams Letter Paper, @ 2.10; 25 M. White Envelopes, @ 1.75. Receive in payment, cash, 45.00. Balance on %.
26. Receive cash of J. J. Sidway on %, 58.00.
27. Sell Frank Siddons, City (*P. L.*), 1 Com. Law, 3.00; 1 R. Arithmetic, 1.00.
28. Pay Fletcher & Co.'s sight draft on you by check on City Bank, 73.80.
29. Sell G. W. Getman (*M. L.*), 25 Civ. Government, @ 1.00; 10 Com. Law, @ 2.75.
30. F. E. Craigie draws for private use, by check on City Bank, 50.00.
    Give D. W. Clark credit for his month's salary, 50.00.

INVENTORIES, JUNE 30, 188–.

MERCHANDISE.—Per Inventory Book,	2452 28
EXPENSE.—Furniture and Fixtures,	235 00

Rule and foot the Journal and post the month's business. Remember that the footings only of the Cash Receipts and Mdse. Sales columns need be posted. After you have completed the posting, prove the Petty Ledger, as instructed for last month. The accounts in the Petty Ledger need not be closed. Make out a Balance Sheet and close the accounts in the Main Ledger.

Net Gain for the month,	202 72
Balance of Petty Accounts,	147 25

[8] Another method of keeping transient accounts is to open in the Main Ledger an account called "Miscellaneous Accounts," or some other appropriate title, under which all accounts not likely to be permanent, active accounts may be placed, instead of keeping them in a Petty Ledger, as illustrated below.

MISCELLANEOUS ACCOUNTS.

188–					188–				
May	3	G. W. Getman,	8	40	May	5	Cash, 5.		
	7	Marsh & Grant,	24	75	"	17	Cash, 10; May 29, 14.75	24	75
	21	L. Ayrault.	88	75	"	27	Draft, 50; Bal. 38.75	88	75
	24	L. & G. Freeman,	62	50					
	27	L. Ayrault, Bal.	38	75					
	30	J. J. Sidway,	101	75	June	26	Cash,	58	

[9] You will observe by the above form that the space occupied by each account is one line only. [10] When an account is settled, the credit is entered on the line directly opposite the debit, thus showing the account balanced. [11] When an account is not paid in full at one payment, the account may be closed and the balance unpaid transferred to a new line, or the payments may be short extended, as shown above. It is sometimes desirable to keep "Misc. Accounts Receivable" and "Misc. Accounts Payable."

Hand to the teacher, on a slip of paper, a proof of the balances brought down in closing the Ledger; also present your books for inspection.

QUESTIONS FOR REVIEW.

Page 103.—[1] What does the Petty Ledger set illustrate? [2] Describe the method. [3] What are the advantages to be derived from its use?

Page 105.—[4] What advantage is derived in this set from using an additional column for Mdse. sales?

Page 106.—[5] How is the Petty Ledger proved? [6] Explain the reason for it.

Page 107.—[7] What entry is made to transfer an account from the Petty Ledger to the Main Ledger?

Page 108.—[8] What other form may be used for keeping transient accounts to save space in the Main Ledger? [9] By this form, how much space does each transient account occupy? [10] When an account is settled, where is the credit entry made? [11] If an account is not paid in full at one payment, how is the entry made?

CASH METHOD.

[1] The method illustrated in the following set combines the Day Book, Journal and Cash Book in one book, called the Cash Journal, or simply Journal, in which book all entries are to be made, whether cash forms any part of the transaction or not.

[2] This form of book-keeping is best adapted to a business in which the transactions are mainly for cash.

[3] The principal advantages of the method are, that it employs a less number of books, and saves time and labor in posting cash.

RULES FOR CASH METHOD.

Decide what the journal entry would be for the transaction in the ordinary form, then:

First.—[4] If Cash be the only debit, enter all of the credit items on the left side, which debits Cash.

Second.—[5] If Cash be the only credit, enter all of the debit items on the right side, which credits Cash.

Third.—[6] If the entry consists of several debits and credits, one of which is Cash, *leaving out the Cash*, enter all the debits on the right side, which credits Cash, and enter all the credits on the left side, which debits Cash. The difference will show the cash received or paid out.

Fourth.—[7] If no Cash is involved in the transaction, enter the credits on the left side and the debits on the right side. The footings of the two sides will thus be increased equally, and the balance of cash will remain unchanged.

The books to be used in this set are the Cash Journal and Ledger.

Monday

Cash	To Sundries			
Student	Cash invested	20000		
E. A. Wooden	"	30000		
W. E. Sankey	Cash deposited	2000		
J. W. Gardner	"	3000		
Discount	On R. V. Smith's note discted for C. G. Teall	960		55009 60
				55009 60

Tuesday

Balance				26707 10
Bk of Comiee	Sold draft to Reynolds	2000		
Exchange	At ¼% on above draft	5		
Merchants Bk	Check for R. R. Stock	6250		
J. W. Gardner	Cash deposited	600		
Discount	On Benj H. Craig's acct	5	75	
W. E. Sankey	Bal credited on Cr acct	994	25	
Bills Rec'v	Accptd draft on Wooden	500		
N. Y. C. Stock	Sold 20 Shares at 130	2600		12955
				99662 10

Wednesday

Balance				90555 65

July 5, 188

Sundries	To Cash					
Bk of Comrce	Remitd cash for our credt	15000				
Merchants Bk	" " "	10000				
H. E. Sankey	Paid his check on us	500				
Bills Rec	Drs cted for C. G. Teall and paid him the proceeds on Smith's note	2500				
J. V. Gardner	Paid check on us	300				
Expense	Express charges		2	50	28302	50
Balance	Cash on hand				26707	10
					53009	60

July 6, 188

H. E. Sankey	Paid check on us	356	45			
N. Y. C. Stock	Bot 50 shares at 125	6250				
Bills Rec	Drs cted for H. E. Sankey, Craig's acceptance	2000				
	Paid Cash 1000, bal credtd					
E. A. Wooden	Accepted Sibley's draft,	500			9106	45
	Ds private accl					
Balance	Cash on hand				30555	65
					39662	10

July 7, 188

MONDAY, JULY 5, 188–.

Student and E. A. Wooden form a copartnership to engage in business as private Bankers and Brokers, in accordance with copartnership articles executed this day. The gains and losses are to be shared in proportion to the investment.

Student invests cash, 20,000.

Make the entry on the *left* side of the Journal, which credits Student and debits Cash. See form on page 110.

E. A. Wooden invests cash, 30,000. (*Same as previous entry.*)

Remit by express, to Bank of Commerce, New York, for your credit, cash, 15,000.

Make the entry on the *right* side of the Journal, which debits Bank of Commerce and credits Cash.

Receive cash of H. E. Sankey on deposit, 2000.

Make the entry on the *left* side, which credits Sankey and debits Cash.

Remit by express, to Merchants' Bank, Boston, for your credit, cash, 10,000.

Entry on *right* side of Journal.

Pay H. E. Sankey's check on you in cash, 500.

Entry on *right* side, which debits Sankey and Credits Cash.

Receive cash of J. W. Gardner on deposit, 3000.00.

Discount for C. G. Teall a note made by R. N. Smith, 2500.00. Discount, 9.60. Pay him the proceeds in cash, 2490.40.

Enter Bills Receivable, 2500, on the *right* side of the Journal, which debits Bills Receivable and credits Cash 2500. Then enter Discount, 9.60, on the *left* side, which credits Discount and debits Cash 9.60. Cash having been thus credited 2500 and debited 9.60, the *net credit* to Cash is 2490.40, as shown by the difference, the actual amount of cash paid out.

Pay J. W. Gardner's check on you in cash, 300.00.

Pay express charges on remittances to New York and Boston in cash, 2.50.

The Journal is now to be balanced for the day, as shown on pages 110–111. [8] It will be apparent that the footings of the Journal cannot exhibit the actual amount of cash received and disbursed, since in many of the entries a part only is cash, and in others no cash whatever is involved.

[9] The footing of the left side of the Journal represents the total credits of the business, except the credit of cash; [10] the footing of the right side the total debits of the business, except the debit of cash; [11] the difference between these footings must therefore exhibit the excess of cash received or paid out during the day. [12] The balance for the previous day being added to the footing of the left side of the Journal, the difference between the sides will then show the cash on hand.

After balancing the Journal, post the day's business. Give each account one-fourth of a page space. [13] In posting, credit all of the items upon the *left* side, and debit cash with the total of these items. The debit and credit sides of the Ledger are thus kept equal. Debit all of the items upon the *right* side, and credit Cash with the total of these items. Here again equal debits and credits are posted to the Ledger.

You may omit the explanations from the Ledger in posting this set. The work of Monday and Tuesday is posted in full below.

STUDENT.

								188– July	5			110	20000

E. A. WOODEN.

188– July	6			111	500			188– July	5			110	30000

H. E. SANKEY

188– July	5			111	500			188– July	5			110	2000
	6			111	356	45			6			110	994	25

J. W. GARDNER.

188–					188–				
July	5		111	300	July	5		110	3000
						6		110	600

DISCOUNT.

					188–					
					July	5		110	9	60
						6		110	5	75

CASH.

188–						188–					
July	5		110	55009	60	July	5		111	28302	50
	6		110	12955			6		111	9106	45

BANK OF COMMERCE.

188–					188–				
July	5		111	15000	July	6		110	2000

MERCHANTS' BANK.

188–					188–				
July	5		111	10000	July	6		110	6250

BILLS RECEIVABLE.

188-										
July	5		111	2500						
	6		111	2000						

EXPENSE.

188–										
July	5		111	2	50					

EXCHANGE.

					188–				
					July	6		110	5

BILLS PAYABLE.

					188–				
					July	6		110	500

N. Y. C. & H. R. R. R. STOCK.

188–					188–				
July	6		111	6250	July	6		110	2600

TUESDAY, JULY 6, 188–.

Pay H. E. Sankey's check in cash, 356.45.

Sell M. F. Reynolds your sight draft on Bank of Commerce, 2000, at ¼ % exchange, 5.00. Receive cash, 2005.00.

Credit Bank of Commerce and Exchange on the left side of the Journal, which debits Cash.

Buy of Cook & Co., 50 shares N. Y. C. & H. R. R. R. Stock, @ 125.00 per share. Pay for same by check on Merchants' Bank.

Debit N. Y. C. & H. R. R. R. Stock on the right side of the Journal, which credits Cash. Credit Merchants' Bank on the left side, which debits Cash. The amount of 6250 having thus been entered on each side of the Journal, the balance of Cash remains unchanged by this entry.

Receive cash of J. W. Gardner on deposit, 600.00.

Discount, for H. E. Sankey, Benj. W. Craig's acceptance, 2000.00. Discount off, 5.75. Pay him cash, 1000.00, and place the balance to his credit. (*See Rule Third, on page 109.*)

Accept H. Sibley's draft on E. A. Wooden, for private %, 500.00. (*See Rule Fourth, page 109.*)

Sell 20 shares N. Y. C. & H. R. R. R. Stock, @ 130.00 per share, and receive cash.

You may now balance the Journal and post the day's work, as instructed for yesterday. [14] You will observe that the cash on hand for Monday is carried to the second column of the Journal in bringing the balance down on Tuesday, [15] so as to avoid including it in the footing of the items of Tuesday's business; otherwise Cash account would be again debited for the net receipts of the previous day.

WEDNESDAY, JULY 7, 188–.

Remit cash to Bank of Commerce, New York, by express, 10,000. (*Rule Second, page 109.*)

Receive cash of H. E. Sankey, on deposit, 375.00. (*Rule First, page 109.*)

Pay J. W. Gardner's check in cash, 76.25. (*Rule Second, page 109.*)

Sell 10 shares N. Y. C. & H. R. R. R. Stock for cash, @ 136.00. (*Rule First, page 109.*)

Discount, for Rob't C. Foy, Wells Bro's note, 800.00. Discount off, 3.27. Pay proceeds in cash, 796.73. (*Rule Third, page 109.*)

Buy for cash, 25 shares Park Bank Stock, @ 145.00. (*Rule Second, page 109.*)

Receive cash of H. C. Griffiths, on deposit, 1500.00.

Sell Geo. Archer your sight draft on Bank of Commerce, 1000.00. Exchange ¼ %, 2.50. Receive cash, 1002.50. (*Rule First, page 109.*)

Discount, for J. W. Gardner, Caring & Reed's note, 600.00. Discount off, 1.51. Proceeds placed to his credit, 598.49. (*Rule Fourth, page 109.*)

Pay Express charges on remittance to Bank of Commerce in cash, 1.75.

You may now balance your Journal. There should be eight entries on the left side and six on the right side. The balance of cash on hand should be 20,293.42. Post the day's business, and then take a Trial Balance. If correct, it should correspond with the following:

TRIAL BALANCE, JULY 7, 188–.

Student,				20000	
E. A. Wooden,	500			30000	
H. E. Sankey,	856	45		3369	25
J. W. Gardner,	376	25		4198	49
Discount,				20	13
Cash,	72805	37		52511	95
Bank of Commerce,	25000			3000	
Merchants' Bank,	10000			6250	
Bills Receivable,	5900				
Expense,	4	25			
Exchange,				7	50
Bills Payable,				500	
N. Y. C. & H. R. R. R. Stock,	6250			3960	
H. C. Griffiths,				1500	
Park Bank Stock,	3625				
	125317	32		125317	32

THURSDAY, JULY 8, 188–.

Sell 10 shares Park Bank Stock for cash, @ 150.00.

Pay H. C. Griffiths' draft on you, 500.00, less discount, 2.25, by check on Merchants' Bank, 497.75. (*Rule Fourth, page 109.*)

Receive cash on deposit of E. J. Howard & Co., 1275.00.

Buy of Reed & Hill, 60 shares N. Y. C. & H. R. R. R. Stock, @ 124¼. Pay for same by check on Merchants' Bank, 3000.00. Balance in cash. (*Rule Third, page 109.*)

Student appropriates cash for private use, 500.00.

Sell J. W. Gardner your sight draft on Bank of Commerce, New York, 3500.00, at ¼ % exchange. Receive his check on you in payment. (*Rule Fourth, page 109.*)

Pay sundry items of Telegraphing in cash, 1.45.

Receive cash on deposit of H. E. Sankey, 2350.00.

Pay your acceptance of 6th inst. in cash, 500.00.

Draw a sight draft on Bank of Commerce, 7500.00, and remit it to Merchants' Bank for your credit. (*Rule Fourth, page 109.*)

Pay Howard & Co.'s check in cash, 100.00.

Discount for J. W. Gardner his accommodation note, endorsed by Lee & Parker, payable at Bank of Commerce, New York, 1500.00. Discount off, 15.75. Proceeds to his credit.

Sell 20 shares N. Y. C. & H. R. R. R. Stock to Morgan & Reeves, @ 126¼. Receive in payment, their check on Fourth National Bank, New York, and remit same to Bank of Commerce, for your credit.

Balance your Journal, and post the day's business. There should be twelve entries on the left side, and ten on the right side. The cash on hand should be 19861.97.

FRIDAY, JULY 9, 188–.

Receive cash of R. N. Smith, for his note, 2500.00.

Accept E. J. Howard & Co.'s draft, in favor of H. C. Griffiths, to apply on ℅, 850.00.

Sell H. C. Griffiths, your sight draft on Bank of Commerce, 1500.00, at ¼ % exchange. Receive in payment, cash, 800.00; his check on you for the balance.

Receive cash of J. W. Gardner, on deposit, 265.50.

Sell Wm. Smith, 15 shares Park Bank Stock, @ 150.00. Receive cash, 550.00, and his note for the balance.

Pay H. E. Sankey's check in cash, 876.44.

Receive on deposit, of O. B. Welch, cash, 500.00, and issue him a Certificate of Deposit. (*Credit Certificate of Deposit instead of O. B. Welch.*)

Have J. W. Gardner's note for 1500.00, rec'd yesterday, re-discounted at Bank of Commerce. Discount off, 10.25. Proceeds to your credit.

Receive cash of H. C. Griffiths, on deposit, 200.00.

Protest Caring & Reed's note, 600.00, rec'd 7th inst., for non-payment. Pay the Notary Public's fees in cash, 1.35. (*Debit Protested Paper, 601.35. and credit Bills Receivable, 600.00.*)

Sell H. E. Sankey 40 shares N. Y. C. & H. R. R. R. Stock, @ 128. Receive his check on you, 3120.00, and his check on Chemical National Bank, New York, for the balance.

Receive cash of E. J. Howard & Co., on deposit, 2500.00.

Receive cash of Wells Bro's, for their note, 800.00, and interest on same, 4.25.

Balance your Journal and post the day's business. Cash on hand, 29103.93.

SATURDAY, JULY 10, 188–.

Receive cash on deposit of E. J. Howard & Co., 275.00.

Discount, for L. D. Briggs, Alonzo Stebbins' note, 890.00. Discount off, 17.80. Give him draft on Bank of Commerce for 500.00, at ¼ % exchange, and pay him the balance of the proceeds in cash.

Pay H. E. Sankey's check in cash, 317.28.

Buy 100 shares Western Union Telegraph Stock, @ 98¾. Give in payment, Wm. Smith's note, rec'd yesterday, 1700.00, less discount, 12.75; your check on Merchants' Bank, 6000.00, and cash for the balance.

J. W. Gardner, for whom you discounted Caring & Reed's note, protested yesterday, takes up the note by his check on you, 601.35.

Receive cash of H. E. Sankey, on deposit, 2000.00. Issue him a Certificate of Deposit for 1000.00, and place the balance to his credit.

Sell H. C. Griffiths, 50 shares W. U. Telegraph Stock, @ 101¼. Receive in payment, your acceptance of yesterday in his favor, 850.00, less discount, 11.83; a sight draft on Importers and Traders' Bank, New York, 1648.84; his check on you, 496.25; and currency for the balance.

Receive cash of J. W. Gardner, on deposit, 1750.00.

Remit to Bank of Commerce, for your credit, the check on Chemical National Bank rec'd yesterday, 2000.00, and the draft on Importers and Traders' Bank rec'd to-day, 1648.84.

Sell for cash, 25 shares W. U. Telegraph Stock, @ 100½.

Benj. W. Craig pays his acceptance rec'd 6th inst., 2000.00, and interest on same, 6.00, as follows: His check on Monroe Savings Bank, 1000.00; your Certificate of Deposit issued yesterday to O. B. Welch, 500.00; and currency for the balance.

Balance your Journal. Cash on hand, 34350.69. After posting the day's business, make a Balance Sheet and close the Ledger.

INVENTORIES, JULY 10, 188–.

20 shares N. Y. C. & H. R. R. R. Stock, ... @ 124¼
25 " W. U. Telegraph " ..... @ 98¾

Net Gain of Firm, 754.31. Present Worth of Firm, 49,754.31.

NOTE.—Remember, in making the Summary and in closing the Loss and Gain account, that the Net Gain is to be shared by the proprietors in proportion to their investments. Hand to the teacher a proof of the balances brought down in closing the Ledger. Also present your books for inspection, and be prepared upon the following.

QUESTIONS FOR REVIEW.

Page 109.—[1] Define the Cash Method. [2] To what kind of business is it best adapted? [3] What are its principal advantages? [4] For transactions in which Cash is the only debit, how is the entry to be made in the Cash Journal? [5] How if Cash is the only credit? [6] How if there are several debits and credits, one of which is Cash? [7] How if no Cash enters into the transaction?

Page 112.—[8] Why do not the footings of the Journal show the cash received and disbursed? [9] What does the footing of the left side represent? [10] The right side? [11] What will the difference between these footings represent? [12] How is the balance of cash on hand found? [13] Explain the manner of posting and how the Ledger is kept in balance.

Page 114.—[14] In bringing down the balance of the previous day, to which column is it carried? [15] Why?

SHIPPING AND COMMISSION.

[1] This set is designed to illustrate a general business in shipping property to and receiving property from other parties, to be sold on commission. The same principles are involved as explained and illustrated on pages 55–57.

[2] In addition to the Journal, a Commission Sales Book and Cash Book are to be kept as [3] principal books. [4] Those entries only which pertain to consignments are to be made in the Sales Book. [5] Entries involving cash are to be made in the Cash Book. [6] All other entries are to be made in the Journal.

The simpler forms only of Commission Sales Book and Cash Book are illustrated in this set.

Special columns may sometimes be profitably introduced in these books, and when found advantageous, they can easily be added to meet the requirements of any particular branch of the Commission business.

Wm D. Hamlin's, Saporte,

188								
Sep	2		1000 bu White Oats					
	2	✓	Cash	Paid freight	65			
	6		Storage	1¢ per bu	10			
	6		Commission	2% of sales	9	24	84	24
	"		W D Hamlin	Net proceeds			377	76
							462	

Foster Bros'. Carthage,

Sep	6		500 bu R. Wheat					
	"	✓	Cash	Paid freight	50			
	12		Storage	2½¢ per bu	12	50		
			Commission	2% of sales	13	73	76	23
		✓	Cash	Net proceeds remitted			610	02
							686	25

Harding & Lee's, Salem,

Sep	8		400 bbls Flour					
	11	✓	Cash	Paid cooperage	3	75		
	15	✓	Cash	Remitted to H & L	300			
	20		Storage	8¢ per bbl	32			
			Commission	2% of sales	63	50	399	25
			Harding & Lee	Net proceeds due by equation Oct. 10.			2775	75
							2175	

Consignment

188						
Sep	8	M. B. Steele On account				
		400 bu W. Oats	45¢			180
	6	Hoyt & Calow On account				
		600 bu W. Oats	47¢			282
						462

Consignment

Sep	9	✓ Cash Sold to Geo. Gould				
		200 bu R. Wheat	137½			274 50
	12	✓ Cash Sold to P. J. Gibson				
		300 bu R. Wheat	137½			411 75
						686 25

Consignment

Sep	10	M. B. Steele On account at 10 ds.				
		100 bbls Flour	7 75			775
	13	Sold to Jno. Howe				
		100 bbls Flour	8 00			800
		✓ Cash Rec'd on above		300		
		Jno Howe Bal on acct at 15 days		500		
	20	Bills Rec. W. L. Vance on note 30 ds				
		200 bbls Flour	8 00			1600
						3175

CASH BOOK.

SEPTEMBER, 188–.

			CASH TO SUNDRIES.					
Sept.	1		Student,	Investment,		3500		
	8		Mdse.	50 bbls. Apples,	2.25	112	50	
	9		M. B. Steele,	On account,		80		
		✓	Foster Bro's Consignment,	200 bu. R. Wheat,		274	50	
								3967
								3967
Sept.	11		Balance,					3628	25

JOURNAL.

SEPTEMBER 3, 188–

		Mdse.	Bo't of Welch Bro's, 500 bbls. Apples, 2.	1000			
		To Bills Payable,	Gave them note at 10 days,			600	
		Welch Bro's,	Balance on account,			400	
			5.				
		Ship't to L. Coleman, Bay View.	Shipped him, to be sold on my account,	505			
		To Mdse.	250 bbls. Apples, 2.			500	
	✓	Cash,	Cartage on same,			5	

LEDGER.

STUDENT.

					188– Sept.	1	Cash,		3500	

MERCHANDISE.

188– Sept.	3	Sundries,		1000		188– Sept.	8	Cash,		112	50
							5	Ship't to L. C.		500	
										612	50

M. B. STEELE.

188– Sept.	3	Hamlin's Con.		180	188– Sept.	9	Cash,		80	
	10			775						

EXPENSE.

188– Sept.	2	Cash,		18	75					

CASH BOOK.

SEPTEMBER, 188–.

188–			SUNDRIES	TO	CASH.				
Sept.	2	✓	Hamlin's Consignment,	Freight.		65			
	3		Expense,	Office Books,		18	75		
	5	✓	Ship't to L. Coleman,	Cartage,		5			
	6	✓	Foster Bro's Consignment,	Freight,		50			
	10		Welch Bro's,	On account,		200			
								338	75
			Balance,	On hand,				3628	25
								3967	

LEDGER.

WELCH BROS.

188–					188–				
Sept.	10	Cash,		200	Sept.	3	Mdse.		400

STORAGE.

					188–				
					Sept.	6	Hamlin's Con.		10

COMMISSION.

					188–				
					Sept.	6	Hamlin's Con.	9	24

WM. D. HAMLIN.

					188–				
					Sept.	6	Hamlin's Con.	377	76

HOYT & EATON.

188–									
Sept.	6	Hamlin's Con.		282					

BILLS PAYABLE.

					188–				
					Sept.	3	Mdse.		600

SHIPMENT TO L. COLEMAN, Bay View.

188–									
Sept.	5	Sundries,		505					

SEPTEMBER, 188–.

1. Commence a general Shipping and Commission Business, investing cash, 3500.00. (*C. B.*)
2. Receive from Wm. D. Hamlin, Laporte, to sell on his account, 1000 bu. White Oats. Pay Freight on same in cash, 65.00.

NOTE.—Enter in Sales Book and Cash Book, and check the entries. See form of Sales Book on pages 118–119, form of Cash Book on pages 120–121. Give each Consignment one-third of a page space in the Sales Book. Cash is checked in the Sales Book and omitted in posting, because the entry in the Cash Book credits Cash; and Hamlin's Consignment is checked in the Cash Book and omitted in posting, because the entry in the Sales Book debits Hamlin's Consignment; otherwise these amounts would be posted twice.

3. Sell M. B. Steele, on %, from Hamlin's Consignment, 400 bu. W. Oats, @ 45c. (*S. B.*)

NOTE.—Making this entry on the right hand side of the Sales Book credits Hamlin's Consignment and debits M. B. Steele, same as in the Cash Method.

Buy of Welch Bro's, 500 bbls. Apples, @ 2.00. Give them in payment, your note at 10 days, 600.00. Balance on %. (*J.*)

Pay cash for set of Office Books, 18.75. (*C. B.*)

5. Ship L. Coleman, Bay View, to be sold on your account, 250 bbls. Apples, @ 2.00. Pay Cartage on same in cash, 5.00. (*J. and C. B.*)

NOTE.—Check Cash in the Journal and Ship't to L. Coleman in the Cash Book. For explanation see note under Sept. 2d, above.

6. Receive from Foster Bro's, Carthage, to sell on their account, 500 bu. Red Wheat. Pay Freight on same in cash, 50.00. (*S. B. and C. B., and check the entries.*)

Sell Hoyt & Eaton, on %, from Hamlin's Consignment, 600 bu. W. Oats, @ 47c. (*S. B.*)

Close Wm. D. Hamlin's Consignment, and render an account of same. Storage, 1c. per bu., 10.00; Commission, 2 % on sales, 9.24. Wm. D. Hamlin's net proceeds to his credit, 377.76. (*S. B. See form of Account Sales, page 80.*)

NOTE.—Rule a sheet of foolscap paper, and write up the form of this Account of Sales. See illustration on page 80. Rule up the Consignments in the Sales Book as soon as they are closed.

8. Sell for cash, 50 bbls. Apples, @ 2.25. (*C. B.*)

Receive from Harding & Lee, Salem, to sell on their account, 400 bbls. Flour. (*S. B.*)

9. Receive cash of M. B. Steele, on %, 80.00. (*C. B.*)

Sell Geo. Gould, for cash, from Foster Bro's Consignment, 200 bu. R. Wheat, @ 1.37½. (*S. B. and C. B.*)

10. Pay Welch Bro's, cash on %, 200.00. (*C. B.*)

Sell M. B. Steele, on %, at 10 days, from Harding & Lee's Consignment, 100 bbls. Flour, @ 7.75. (*S. B.*)

You may now balance your Cash Book, after which post the foregoing entries. Post from the Journal as heretofore. Post from the Cash Book and Sales Book as instructed for the Cash Method; that is, all items on the left side are to be credited, and all on the right side debited. You need not in this set, however, open in the Ledger a Cash account nor accounts with Consignments. When taking a Trial Balance, carry to it the balance of cash on hand, as shown by the Cash Book, and the balances of all unclosed Consignments, as shown by the Sales Book. All items that are checked are not to be posted. In posting the items not checked, use the Ledger folio as a check mark. Give each account one-fourth of a page space.

Commence with the Cash Book, and *complete* the posting from that book; then follow with the Sales Book in same manner, and then with the Journal. The dates will not come in regular order in the Ledger by this method of posting, but this is not material. After you have finished posting from all of the books, your Ledger accounts should agree with those given on pages 120–121.

Take a Trial Balance, and it should agree with the one given on next page. The debits and credits in Foster Bro's Consignment and Harding & Lee's Consignment being unequal, as shown by your Sales Book, it becomes necessary to enter them in the Trial Balance; also enter in the Trial Balance the balance of cash on hand, as shown by the Cash Book.

TRIAL BALANCE, SEPTEMBER 10, 188–.

	Student,			3500	
	Mdse.	1000		612	50
	M. B. Steele,	955		80	
	Expense,	18	75		
	Welch Bro's,	200		400	
	Storage,			10	
	Commission,			9	24
	Wm. D. Hamlin,			377	76
	Hoyt & Eaton,	282			
	Bills Payable,			600	
	Ship't to L. Coleman, Bay View,	505			
	Foster Bro's Con.			224	50
	Harding & Lee's Con.			775	
	Cash,	3628	25		
		6589	00	6589	00

After completing the Trial Balance, continue the business, making the entries for the following transactions in the various books as heretofore instructed.

SEPTEMBER, 188–.

11. Receive cash of Hoyt & Eaton, on %, 182.00.
    Buy of Jas. P. King, on %, 300 bu. Potatoes, @ 65c. (*J.*)
    Pay cash for Cooperage on Flour belonging to Harding & Lee's Consignment, 3.75. (*S. B. and C. B., and check the entries.*)
12. Sell P. J. Gibson, for cash, from Foster Bro's Consignment, 300 bu. R. Wheat, @ 1.37½. (*S. B. and C. B., and check.*)
    Close Foster Bro's Consignment, and render an account of same. Storage, 2½c. per bu., 12.50; Commission, 2 % on sales, 13.73. Net proceeds remitted in cash, 610.02. (*S. B. and C. B.; check 610.02.*)
13. Receive from L. Coleman an account of the shipment made him 5th inst., with cash for your net proceeds, 634.50. (*C. B.*)
    Student draws cash for private use, 50.00.
    Sell Jno. Howe, from Harding & Lee's Consignment, 100 bbls. Flour, @ 8.00. Receive cash, 300.00. Balance on % at 15 days. (*S. B. and C. B.; check 300.00.*)
15. Ship A. G. Niles, Evansville, to be sold on your account, 200 bu. Potatoes, @ 65c. Pay Cartage in cash, 3.25. (*J. and C. B.; check 3.25.*)

    NOTE.—Write up on foolscap paper the form for this Invoice of Shipment. See Business Forms, on last pages of the text book, for illustration.

    Pay Book-keeper cash, to apply on Salary, 25.00.
    Remit Harding & Lee, for cash sale made from their Con. 13 inst., 300.00. (*S. B., C. B. and check.*)
16. Pay your note due to-day in cash, 600.00.
18. Receive from Henry Benson, Seneca, to sell on his account, 500 doz. Eggs. Pay Express charges in cash, 6.25.

    NOTE.—The letters indicating the books will hereafter be omitted. Remember to check Cash whenever it is debited or credited elsewhere than in the Cash Book, and to check Consignments if debited or credited elsewhere than in the Sales Book.

19. Remit Wm. D. Hamlin cash in full for his net proceeds, as per Account Sales 6th inst., 377.76.
    Sell for cash, 50 bu. Potatoes, @ 75c.
    Pay J. P. King cash on %, 50.00.
    Sell to Geo. Lacy, for cash, from Benson's Consignment, 200 doz. Eggs, @ 18c.
20. Sell W. D. Vance, on his note at 30 days, from Harding & Lee's Consignment, 200 bbls. Flour, @ 8.00.
    Close Harding & Lee's Consignment, and render an account of same. Storage, 8c. per bbl.; Commission, 2 % of sales. Balance to Harding & Lee's credit due by equation Oct. 10th.

    NOTE.—You are required to work this equation to verify the result as given above. See your Arithmetic for instruction in Equation of Accounts.

    Receive cash of M. B. Steele, in full of %, 875.00.

You may now balance your Cash Book. Cash on hand, 4078.97. Next post the foregoing entries from the various books, as instructed on page 122, after which take a Trial Balance. Remember that Cash and all unclosed Consignments must be entered in the Trial Balance before it will prove.

In the Trial Balance given below, a portion only of the amounts are extended, the student being required to complete the extensions, as well as to verify those which are given, from his own books. After completing the Trial Balance, continue the business to the end of September, when you will make out a Balance Sheet and close the Ledger.

TRIAL BALANCE, SEPTEMBER 20, 188–.

		Student,		50		3500	
		Mdse.		1195		780	
		Expense,					
		Welch Bro's,					
		Storage,				54	50
		Commission,				86	47
		Hoyt & Eaton,					
		Ship't to L. Coleman, Bay View,		505		634	50
		J. P. King,					
		Harding & Lee,					
		J. Howe,					
		Bills Receivable,					
		Ship't to A. G. Niles, Evansville,		133	25		
		Henry Benson's Con.					
		Cash,		4078	97		
				8637	97	8637	97

SEPTEMBER, 188–.

21. Ship Wells & Co., Argyle, to be sold on your acconnt, 100 bbls. Apples, @ 2.00.
22. Receive from Lester, Hall & Co., Brantford, to sell on their account, 200 bu. Clover Seed. Pay Freight in cash, 15.00.
23. Receive from A. G. Niles an account of the shipment made him 15th inst. Net proceeds placed to your credit, 121.75.

    Receive cash of Jno. Howe, on ℅, 300.00.
24. Remit Harding & Lee cash, for balance due them on their Consignment, 2775.75, less discount to equated time of payment, Oct. 10.

    Receive from Wm. D. Hamlin, to sell on his account (2d Consignment), 3000 bu. White Wheat. Pay Freight in cash, 330.00.
25. Buy of Thos. C. Jennings, on your note at 60 days, 800 bu. Corn, @ 70c.

    Pay Welch Bro's cash, in full of ℅, 200.00.

    Sell French & Sweet, for cash, from Lester, Hall & Co.'s Consignment, 100 bu. Clover Seed, @ 5.00.

    Close Lester, Hall & Co.'s Consignment (100 bu. Clover Seed remaining unsold), and render an account of same. Storage, 2½c. per bu., 5.00; Commission, 2 ℅ of sales. Net proceeds remitted in cash, 470.00.

    NOTE.—Make a memorandum simply, on the credit side of the Consignment, of the 100 bu. unsold. Next close and rule up the Consignment, and then enter, below the ruling on the debit side, the memorandum of the 100 bu. unsold.
26. Sell for cash, 50 bu. Potatoes, @ 78c.

    Ship O. W. Sears, Branchport, to be sold on your account, 800 bu. Corn, @ 70c. Pay Insurance 5.00, and Labor on same, 3.10 in cash.
27. A. G. Niles remits you cash, to balance his ℅, 121.75.

    Pay cash for re-packing 300 doz. Eggs belonging to Benson's Consignment, 1.25.

    Pay J. P. King cash on ℅, 45.00.
28. Sell Jas. Barger, for cash, 285 doz. Eggs, from Benson's Consignment, @ 17c.

    15 doz. Eggs belonging to Benson's Consignment were broken.

    Close Benson's Consignment, and render an account of same. Commission, 2 ℅ of sales. Net proceeds remitted in cash.

28. Sell M. B. Steele, on %, 100 bbls. Apples, @ 2.40.
Prepay your note of 25th inst., favor of Thos. C. Jennings, in cash, less discount.
29. Sell Scott & Trevor, on their note at 15 days, from Hamlin's Con. No. 2, 250 bu. W. Wheat, @ 1.25.
30. Receive from Wells & Co. an account of the shipment made them 21st inst. Net proceeds remitted in cash, 224.50.
W. D. Vance prepays his note of 20th inst. in cash, less discount.
Sell Chas. G. Nixon, from Lester, Hall & Co.'s Consignment, 100 bu. Clover Seed, @ 5.00. Receive his check on Bank of Republic, 200.00. Balance on %.
Close Lester, Hall & Co.'s Consignment, and render an account of same. Storage, 2½c. per bu., 2.50; Commission, 2 % of sales. Remit cash to Lester, Hall & Co. 200.00, and place the balance of the net proceeds to their credit.
Pay Book-keeper balance due on month's salary, 25.00, and Warehouse Rent, 50.00, in cash.
Receive cash of Hoyt & Eaton, to balance %, 100.00.

INVENTORY, SEPTEMBER 30, 188–.

Shipment to O. W. S., Branchport,	568 10

You may now balance your Cash Book. Cash on hand, 2464.18. Post and make out a Balance Sheet and close the Ledger. Your Summary should exhibit as follows:

SUMMARY, SEPTEMBER 30, 188–.

Total Resources,	4102 28	Total Gains,	395 03
" Liabilities,	387 50	" Losses,	130 25
Present Worth,	3714 78	Net Gain,	264 78

After closing the Ledger and proving your balances, present your books, with a proof of the Ledger balances, to the teacher for inspection.

QUESTIONS FOR REVIEW.

Page 117.—[1] What does this set illustrate? [2] What books are employed? [3] Are they used as principal or auxiliary books? [4] What entries are made in the Sales Book? [5] In the Cash Book? [6] In the Journal?

Page 122.—[7] Why are Cash and Consignments checked and omitted in posting when they appear in any other books than the Cash Book and Sales Book? [8] In posting from the Cash Book and Sales Book, how is the work to be performed? [9] Why must unclosed Consignments and the balance of cash on hand be entered in the Trial Balance?

NOTE.—Review also the questions given on page 63.

WHOLESALE.

[1] This set is designed to illustrate, in a general way, a method for keeping the books of a Wholesale or Jobbing Business, [2] by combining and extending the short methods of book-keeping explained and illustrated in previous sets, so that much time and labor may be saved in performing the work.

Since in almost every business of any magnitude there will be features peculiar to that particular business, there must of necessity be required other forms and books than those here given, and which it would be quite impossible to illustrate within the scope of an ordinary text book.

[3] The principal books and forms, however, together with their uses and advantages, are so fully illustrated and explained, that any modifications of or additions to them, necessary to meet the requirements of any particular business, may readily be devised and employed.

The books to be used are the Journal, Sales Book, Check Book, Cash Book, Bill Book and Ledger.

EXPLANATIONS OF BOOKS USED.

JOURNAL.

[4] The Journal, as used in this set (see form on page 128), combines with it the Invoice Book, sometimes kept as a separate book, [5] by the addition of an extra column (headed "Mdse. Dr." in the form), in which the purchases of Mdse. only are to be entered. [6] This column is to be added and the footing carried forward from page to page until the end of the day or week or month, as desired, [7] at which time the total footing is to be posted to the debit of Mdse. account. [8] The items in the columns headed "Sunds. Dr." and "Sunds. Cr." are to be posted separately, as in the ordinary Journal. These columns may be footed, so as to prove with the Check Sheets explained on page 134. [9] The Invoices themselves may either be filed away in packages, or pasted in a large book made especially for that purpose. [10] This may be used as a principal book if desired, by [11] posting from it directly to the Ledger, without making the entries in the Journal.

SALES BOOK.

[12] The Sales Book (see form on page 129) is designed to contain sales of Mdse. only. [13] The net amount of each bill is to be extended to the last column, and debited to the person who purchased it. [14] The last column is to be added and the footing carried forward from page to page until the end of the day, week or month, as desired, [15] the total being then posted to the credit of Mdse. account. [16] An additional advantage may be secured by using for a Sales Book a large Copying Book, in which impressions of all of the bills may be made and posted directly to the Ledger.

CHECK BOOK.

[17] In the Check Book (the form given on page 130 shows the stub only) is to be kept a record of all transactions with the bank, [18] and a Bank account is not to be opened in the Ledger. [19] When a deposit is made, the Bank is debited for the amount of the deposit by entering it in the Check Book, with the proper explanation, and [20] adding the amount to the previous balance. [21] When a check is drawn, the bank is credited, by [22] deducting the amount of the check from the previous balance. [23] No entry is to be made in the Cash Book when cash is deposited, [24] the balance in bank being treated as cash on hand. [25] When a payment is made by check, therefore, the amount must be entered to the credit of cash in the Cash Book, in addition to crediting the bank in the Check Book, because reducing the bank balance reduces the cash balance at the same time.

CASH BOOK.

[26] The Cash Book (see form on pages 130–131) is designed to contain cash entries only. [27] It is arranged with special columns, [28] in order to classify to some extent the receipts and payments of cash, and to facilitate the work of posting. [29] The footings only of the special columns are to be posted daily, weekly or monthly, as desired, those on the left side being credited, and those on the right debited. [30] The items in the Sundries columns are to be posted separately, those on the left side credited, and those on the right debited. [31] In posting to the Cash account in the Ledger, the difference in the cash balances only is to be posted. [32] If the balance of cash on hand is less than at the last posting, Cash account is to be credited with the difference; [33] if more, is to be debited. To prove the cash, [34] add together the footings of all of the columns on the left side of the Cash Book, and the amount will be the total debit of Cash; [35] then add together the footings of all of the columns on the right side, and and the amount will be the total credit of Cash. [36] The difference between these two amounts will be the balance of cash on hand, [37] which is found by adding the cash in safe and the balance in bank together.

BILL BOOK.

[38] The Bill Book is to be kept as an auxiliary book, the same as heretofore. [39] It may be kept as a principal book; but as a rule the entries in it are so few, comparatively, that most book-keepers prefer to journalize such entries.

TRIAL BALANCE.

[40] The form of Trial Balance shown on page 134 is called a Continued Trial Balance, and [41] is designed to save the time and labor consumed in re-copying the titles of the various accounts whenever a Trial Balance is to be taken.

LEDGER INDEX.

A common form of Ledger Index is illustrated on page 131. [42] A convenient plan for such an Index, if the number of accounts is not too great, is to arrange the names alphabetically, as shown in the form on page 131, written upon a stiff card of suitable size, which can stand in front of the person who is posting, making it much easier to be referred to than the ordinary form of Index. [43] When the number of accounts is very large, a Vowel Index is generally employed.

JOURNAL.

OCTOBER, 188–.

DATE.		Folio.			MDSE. DR.		SUNDS. DR.		SUNDS. CR.	
Oct.	1		H. G. Fuller and Student form a co-partnership this day, under the firm name of Fuller & Student, to engage in the Wholesale Business of Wooden Ware and Grocers' Sundries. The partners are to invest equally, and share equally in gains and losses. An interest account is to be kept between the partners.							
	"	61	Sundries,	To H. G. Fuller, Invested as follows:					3363	47
		61	Bills Receivable,	Carter's note, per B. B.			300			
		61	" "	Hawley & Co.'s note, per B. B.			500			
		61	Interest,	On above to date,			7	33		
		62	Cowles & Hutchings, Olean.	On account,			2556	14		
	"		Sundries,	To Sundries, Student invested as follows:						
		61	Bills Receivable,	Leighton's note, per B. B.			3000			
		61	Interest,	On above to date,			30			
		62	W. & E. Morgan, City,	On account,			2014	66		
		62	To Bills Payable,	Note to Fulton, per B. B., assumed by the firm.					600	
		61	Interest,	On above to date,					8	50
		62	S. W. Siddons, City,	On account,					307	44
		63	Lorrain Mfg. Co., New York,	" "					490	25
		63	Brown Bro's & Seaver, Eastport,	" "					275	
		61	Student,	Net Investment,					3363	47
	2	63	To Byron Vaile, Toronto.	Inv. Oct. 1, 60 days,	612	25			612	25
	3	61	Bills Receivable,	Rec'd note to apply on ℅,			500			
		62	To W. & E. Morgan,	per B. B.					500	
	4	63	To Scovell, Hodges & Co., New York,	Inv. Oct. 2, 15 days,	812	34			812	34
	"	63	Brown Bro's & Seaver,	Gave them note per B. B. on			100			
		62	To Bills Payable,	account.					100	
	5	64	To F. M. Reed, Boston,	Inv. Oct. 3, 90 days,	1540	71			1540	71
	"	61	Bills Receivable,	Rec'd note per B. B., for			81	75		
		65	To B. N. Achard,	Mdse. as per S. B.					81	75
	7	64	To Hopkins & Weeks, Baltimore.	Inv. Oct. 4, 60 days,	1316	70			1316	70
	8	63	Scovell, Hodges & Co.	Gave them note in full for			812	34		
		62	To Bills Payable,	Inv. Oct. 2,					812	34
	9	64	To Geo. P. Osgood, Chicago.	Inv. Oct. 7, 30 days,	216	50			216	50
	"	63	Brown Bro's & Seaver,	Remitted them, on ℅, draft			100			
		62	To Cowles & Hutchings,	at 30 days on C. & H.					100	
	10	63	To Byron Vaile,	Inv. Oct 7, 60 days,	376	88			376	88
	"	61	Bills Receivable,	Rec'd note to apply on ℅,			300			
		62	To W. & E. Morgan,	per B. B.					300	
		64			4875	38	10302	22	15177	60

SALES BOOK.

OCTOBER, 188–.

Oct.	3	65	Frank Goodspeed, Waverly.								
			1 doz. No. 1 O. Chop. Trays,	5.				5			
			2 Glass Cheese Safes,	4.50				9			
			10 Nests F. Pails,	1.25				12	50	26	50
	3	65	F. E. Warren, New Rochelle.								
			3 doz. N. D. Z. Wash Boards,	2.50				7	50		
			5 " E. S. Z. " "	1.75				8	75		
			5 M No. 4 Paper Bags,	1.75	8	75					
				10 %		88		7	87		
			3 doz. 12-in. B. Bowls,	1.75				5	25		
			4 " Cov. W. D. Baskets,	2.50				10			
			2 " O. C. Trays, No. 2,	5.				10			
			1½ " No. 10 Feather Dusters,	20.	30						
			1 " No. 12 " "	26.50	26	50					
					56	50					
				25 and 10 %	18	36					
								38	14		
			10 gro. Gates' Matches,	2.70				27			
			6 Broom Racks,	2.50				15		129	51
	3	65	Larkin & Sprong, Groveland.	30 days.							
			2 doz. Wood Shovels,	7.50				15			
			25 lbs. Cotton Twine,	.24				6			
			2 doz. No. 3 Wood Scoops,	4.50				9		30	
	5	65	B. N. Achard, Scipio.	Note per B. B.							
			10 doz. 2-hoop Pails,	2.				20			
			3 " H. H. Tubs,	8.75				26	25		
			2 " Com. H. Tubs,	8.50				17			
			3 " Clothes Pounders,	2.				6			
			10 " Rolling Pins,	1.25				12	50	81	75
	"	65	Larkin & Sprong,	30 days.							
			12 doz. Royal S. Dressing,	1.				12			
			4 gro. Dixon S. Polish,	6.00				24			
			3 doz. qts. University Ink,	6.00	18						
				10 %	1	80		16	20	52	20
	"	66	Welch & Dow, Fairport.	Cash.							
			6 gro. W. Crystal,	2.75				16	50		
			50 boxes Crayon,	.07				3	50		
			25 gro. K. Wicks,	.40				10		30	
	8	65	Frank Goodspeed.	45 days.							
			2 doz. N. C. Wringers,	45.				90			
			3 " W. Shovels,	7.50				22	50		
			5 " H. H. Tubs,	8.75				43	75		
			2 Oil Tanks,	16.	32						
				25 %	8			24			
			4 doz. B. Baskets,	7.50				30			
			3 " H. Brushes,	6.				18			
			5 gro. Kinning's Bluing,	8.				40		268	25
	9	66	Welch & Dow.								
			4 doz. U. Ink,	6.	24						
				10 %	2	40		21	60		
			4 " H. H. Tubs,	8.75				35			
			5 " W. Shovels,	7.50				37	50	94	10
		64								712	31

CASH BOOK.

OCTOBER, 188–.

DATE.		Folio.	CASH	TO SUNDRIES.	SUNDRIES.		MDSE.		BILLS REC.	DISCOUNT.	
Oct.	1	61	H. G. Fuller,	Cash paid in,	2636	53					
	"	61	Student,	On deposit in C. Bank,	2636	53					
	2		Mdse.	Drawer sales,			95	48			
	3		Discount,	B. Vaile,						30	61
	4		Bills Receivable,	Leighton's note paid,					3000		
	"	61	Interest,	On above note,	31	50					
	"		Mdse.	Drawer sales,			21	19			
	5		"	" "			62	10			
	"	66	Welch & Dow,	Cash sale per S. B.	30						
	6		Bills Receivable,	Hawley & Co.'s note paid,					500		
	"	61	Interest,	On above note,	7	75					
	8	65	Frank Goodspeed,	Inv. 3d inst.	26	50					
	"		Mdse.	Drawer sales,			52	12			
	"		Bills Receivable,	Carter's note paid,					300		
	10	65	Larkin & Sprong,	Inv. Oct. 3,	30						
	"		Discount,	F. M. Reed,						38	52
					5398	81	230	89	3800	69	13
		64		Mdse.	230	89					
		61		Bills Receivable,	3800						
		66		Discount,	69	13					
					9498	83					
Oct.	11		Balance,		6149	05					

CHECK BOOK STUB.

FIRST PAGE.

Oct. 1. Balance, 2636 53
" 2. Deposited, 2000
4636 53

No. 1.
Date Oct. 3, 188–.
To Wm. Strong.
For Rent for October.
Amount 125
4511 53

No. 2.
Date Oct. 3.
To College Bank.
For Draft remitted to Vaile.
Amount 583 09
3928 44

SECOND PAGE.

3928 44
Oct. 4. Deposited, 2500
6428 44
" 9. Note favor of Fulton paid, 609 30
5819 14
" 10. Deposited, 500
6319 14

No. 3.
Date Oct. 10.
To F. M. Reed.
For On account.
Amount 1502 19
4816 95

CASH BOOK.

OCTOBER, 188–.

DATE.		Folio.	SUNDRIES	TO	CASH.	SUNDRIES.		EXPENSE.		DISCOUNT.	
Oct.	2		Expense,	Office Safe, 200; Books, 37.50				237	50		
	3	63	Lorrain Mfg. Co.	On account,		100					
	"		Expense,	Rent for October,				125			
	"	63	Byron Vaile,	Inv. Oct. 1,		612	25				
	"		Expense,	Exch. on draft,				1	45		
	4	62	S. W. Siddons,	On account,		107	44				
	8		Discount,	F. Goodspeed,							53
	9	62	Bills Payable,	Note favor Fulton,		600					
	"	61	Interest,	On above note,		9	30				
	10		Discount,	Larkin & Sprong,							30
	"	64	F. M. Reed,	Inv. Oct. 3,		1540	71				
			Expense,	Coal for office,				15	30		
						2969	70	379	25		83
		66		Expense,		379	25				
		66		Discount,			83				
						3349	78				
		66	Balance,	In Bank,	4816.95						
				" Safe,	1332.10	6149	05				
						9498	83				

LEDGER INDEX.

A

Achard, B. N., 65.

B

Bills Receivable, 61.
Bills Payable, 62.
Brown Bro's & S., 63.

C

Cowles & Hutchings, 62.
Cash, 66.

D

Discount, 66.

E

Expense, 66.
Eaton, M. M., 67.

F

Fuller, H. G., 61.

G

Goodspeed, Frank, 65.
Gardner, Wm., 67.

H

Hopkins & Weeks, 64.
Hackett & Brisbain, 66.

I, J

Interest, 61.

K

L

Lorrain Mfg. Co., 63.
Larkin & Sprong, 65.

LEDGER INDEX.

M

Morgan, W. & E., 62.
Merchandise, 64.

N

O

Osgood, Geo. P., 64.

P

Q

R

Recd, F. M., 64.
Richardson, R., 67.

S

Student, 61.
Siddons, S. W., 62.
Scovell, H. & Co., 63.

T

Tilden & Breme, 67.

U

V

Vaile, Byron, 63.

W

Warren, F. E., 65.
Welch & Dow, 66.

X, Y, Z

LEDGER.

H. G. FULLER.

								188–							
								Oct.	1		J.	50	3363	47
									”		C. B.	30	2636	53
													6000	00

STUDENT.

								188–							
								Oct.	1		J.	50	3363	47
									”		C. B.	30	2636	53
													6000	00

BILLS RECEIVABLE.

188–						188–				
Oct.	1	J.	50	300		Oct.	10	C. B.	30	3800
	”	”	“	500						
	”	“	“	3000						
	3	“	51	500						
	5	”	“	81	75					
	10	”	“	300						
				4881	75					

INTEREST.

188–						188–						
Oct.	1	J.	50	7	33	Oct.	1	J.	50	8	50
	”	“	“	30			4	C. B.	30	31	50
	9	C. B.	30	9	30		6	“	“	7	75
				46	63					47	75

COWLES & HUTCHINGS, Olean.

188–						188–				
Oct.	1	J.	50	2556	14	Oct.	9	J.	51	100

W. & E, MORGAN, City.

188–						188–				
Oct.	1	J.	50	2014	66	Oct.	3	J.	51	500
							10	“	“	300
										800

BILLS PAYABLE.

188–						188–					
Oct.	9	C. B.	30	600		Oct.	1	J.	50	600	
							4	“	51	100	
							8	“	“	812	34
										1512	34

S. W, SIDDONS, City.

188–						188–				
Oct.	4	C. B.	30	107	44	Oct.	1	J.	50	307	44

LORRAIN MFG. CO., New York.

188–						188–				
Oct.	3	C. B.	30	100		Oct.	1	J.	50	490	25

BROWN BRO'S & SEAVER, Eastport.

188–							188–					
Oct.	4	J.	51	100			Oct.	1	J.	50	275	
	9	"	"	100								
				200								

BYRON VAILE, Toronto.

188–						188–						
Oct.	3	C. B.	30	612	25	Oct.	2	Inv. Oct. 1, 60 ds.	J.	51	612	25
							10	" " 7, "	"	"	376	88
											989	13

SCOVELL, HODGES & CO., New York.

188–						188–						
Oct.	8	J.	51	812	34	Oct.	4	Inv. Oct. 2, 15 ds.	J.	51	812	34

F. M. REED, Boston.

188–						188–						
Oct.	10	C. B.	30	1540	71	Oct.	5	Inv. Oct. 3, 90 ds.	J.	51	1540	71

B. N. ACHARD, Scipio.

188–						188–						
Oct.	5	S. B.	21	81	75	Oct.	5		J.	51	81	75

HOPKINS & WEEKS, Baltimore.

						188–						
						Oct.	7	Inv. Oct. 4, 60 ds.	J.	51	1316	70

GEO. P. OSGOOD, Chicago.

						188–						
						Oct.	9	Inv. Oct. 7, 30 ds.	J.	51	216	50

MERCHANDISE.

188–						188–						
Oct.	10	J.	51	4875	38	Oct.	10		S. B.	22	712	31
							"		C. B.	30	230	89
											943	20

FRANK GOODSPEED, Waverly.

188–							188–					
Oct.	3		S. B.	20	26	50	Oct.	8	C. B.	30	26	50
	8	45 ds.	"	21	268	25						
					294	75						

F. E. WARREN, New Rochelle.

188–												
Oct.	3	S. B.	20	129	51							

LARKIN & SPRONG, Groveland.

188–							188–					
Oct.	3		S. B.	20	30		Oct.	10	C. B.	30	30	
	5	30 ds.	"	21	52	20						
					82	20						

WELCH & DOW, Fairport.

188–								188–					
Oct.	5	S. B.	22	30		Oct.	5	C. B.	30	30	
	9	"	"	94	10						
				124	10						

DISCOUNT.

188–						188–					
Oct.	10	C. B.	30		83	Oct.	10	C. B.	30	69	13

EXPENSE.

188–					
Oct.	10	C. B.	30	379	25

CASH.

188–					
Oct.	10	C. B.	30	6149	05

It is customary in business to post the items from the various books every day, and after posting to review the work, re-examining and re-checking every entry, to detect any error which may have been made in the work, and to avoid if possible a "refractory" trial balance at the end of the month.

The following plan is sometimes substituted for the re-checking process, and proves very effective, especially where the book-keeper is provided with an assistant:

A sheet of paper or card, called a "Check Sheet," or "Check Card," of about foolscap size, ruled in narrow columns, is provided for each book from which posting is to be done. Before the work of posting begins, the assistant enters from the Index the Ledger folio against each amount which is to be posted. He then finds the account in the Ledger, and the book-keeper, after observing that he has turned to the right account, posts the entry, checking it thus √ in the book from which it was posted. After checking the entry, he takes a second look at the amount *as it stands in the Ledger*, and, while the assistant is finding the next account, he enters it upon the Check Sheet corresponding with the book from which it was posted. At the end of the day the footings of the several sheets and the footings of the corresponding books must of course agree.

The above plan is almost an absolute check upon omissions, upon a transposition of figures and upon posting to the wrong account.

The illustrations given below represent the Check Sheets of the Journal, Sales Book and Cash Book for the previous ten days' posting.

JOURNAL DEBIT CHECK SHEET.	JOURNAL CREDIT CHECK SHEET.		SALES BOOK DEBIT CHECK SHEET.	CASH DEBIT CHECK SHEET.	CASH CREDIT CHECK SHEET.
300	3363 47	15177 60	26 50	2636 53	100
500	600		129 51	2636 53	612 25
7 33	8 50		30	31 50	107 44
2556 14	307 44		81 75	30	600
3000	490 25		52 20	7 75	9 30
30	275		30	26 50	1540 71
2014 66	3363 47		268 25	30	2969 76
500	612 25		94 10	5398 81	
100	500		712 31		
81 75	812 34				
812 34	100				
100	1540 71				
300	81 75				
10302 22	1316 70				
	812 34				
	216 50				
	100				
	376 88				
	300				
	15177 60				

CONTINUED TRIAL BALANCE.

Folio.		October 10.				October 20.				October 31.			
61	H. G. Fuller,			6000		300		7000		—		—	—
61	Student,			6000		500		6000		—	—	—	
61	Bills Receivable,	4681	75	3800		5417	25	4381	75	6917	25	5667	25
61	Interest,	46	63	47	75	46	63	47	75	53	63	50	08
62	Cowles & Hutchings,	2556	14	100		2556	14	700					
62	W. & E. Morgan,	2014	66	800		2014	66	800					
62	Bills Payable,	600		1512	34	700		1612	34				
62	S. W. Siddons,	107	44	307	44	107	44	307	44	—	—	—	—
	Lorrain Mfg. Co.	100		490	25	290	25	490	25				
	Brown Bro's & Seaver,	200		275		200		275		—		—	
	Byron Vaile,	612	25	989	13					—	—	—	—
	Scovell, Hodges & Co.					812	34	948	61				
	F. M. Reed,					1540	71	2781	65				
	Hopkins & Weeks,			1316	70					—	—	—	—
	Geo. P. Osgood,			216	50	216	50	677	25	—	—	—	—
	Merchandise,	4875	38	943	20	7390	39	2475	89	11503	22	4496	64
	Frank Goodspeed,	294	75	26	50	386		294	75	—	—	—	
	F. E. Warren,	129	51			217	01	129	51				
	Larkin & Sprong,	82	20	30		197	95	82	20	—	—	—	—
	B. N. Achard,												
	Welch & Dow,	124	10	30									
	Discount,		83	69	13	8	90	136	32	28	78	231	88
	Expense,	379	25			479				577	96		
	Cash,	6149	05			6149	05	262	86	6661	32	262	86
	Hood & Meyers,												
	S. M. Smith,					82				—	—	—	
	Hackett & Brisbain,					218	75			—	—	—	—
	R. Richardson,					121		50					
	Tilden & Breme,							498	40				
	M. M. Eaton,												
	Wm. Gardner,									—	—	—	—

STATEMENT OCTOBER 31, 188–.

RESOURCES.

Bills Receivable,		1250 00
Mdse. Inventory,		7968 33
Expense "		200 00
Cash,		6398 46
Personal Accounts,		640 80
		16457 59

LIABILITIES.

Personal Accounts,		3474 41
Fuller's Net Investment,	6701 42	
" ½ Net Gain,	391 67	
" Present Worth,		7093 09
Student's Net Investment,	5498 42	
" ½ Net Gain,	391 67	
" Present Worth,		5890 09
		16457 59

OCTOBER, 188–.

1. H. G. Fuller and Student form a co-partnership this day, under the firm name of Fuller & Student, to engage in the wholesale business of Wooden Ware and Grocers' Sundries.

The Co-partnership articles this day executed, provide that each partner shall devote his entire time to the business; that the gains and losses shall be divided equally, and that an Interest account shall be kept between the partners.

NOTE.—Make the above as a memorandum in your Journal.

H. G. Fuller's investment: Cash paid in, 2636.53 (*C. B.*); D. G. Carter's note, dated September 5 last, at 30 days, payable at City Bank, 300.00 (*J. and B. B.*); Hawley & Co.'s note dated July 5 last, at 90 days, payable at First National Bank, with interest, 500.00 (*J. and B. B.*); Interest accrued to date on H. & Co.'s note (*J.*); Cowles & Hutchings, Olean, owe on account, 2556.14 (*J.*).

NOTE.—While it is expected that you will be obliged to refer occasionally to the forms as indicated in the transactions by the initial letters: *J.* Journal, *S. B.* Sales Book, *Ck. B.* Check Book, *C. B.* Cash Book, and *B. B.* Bill Book, it is desirable that you do so only when necessary, performing the work as much as possible from the memoranda, aided by the explanations for the various books given on page 127. In every case decide how you think the entry should be made before consulting the forms.

Student's investment: On deposit in College Bank, to the credit of the firm, 2636.53 (*C. B. and Ck. B. See note below*); E. B. Leighton's note dated August 2nd last, at 60 days, indorsed by W. D. Soules, payable at Traders' Bank, with interest, 3000.00 (*J. and B. B.*); Interest accrued to date on above note (*J.*); W. & E. Morgan, city, owe on account, 2014.66 (*J.*).

NOTE.—In the absence of a Check Book, a form for the Check Book Stub may be ruled on a sheet of foolscap paper.

Student's liabilities: Note favor Giles P. Fulton, dated July 8 last, at 90 days, payable at College Bank, with interest, 600.00 (*J. and B. B.*); Interest accrued to date (*J.*); due the following firms on account: S. W. Siddons, city, 307.44; Lorrain Manufacturing Co., New York, 490.25; Brown Bros. & Seaver, Eastport, 275.00 (*J.*).

2. Buy for cash, Office Safe, 200.00; Office Books, 37.50. (*C. B.*)

Deposit in College Bank, cash, 2000.00. (*Ck. B.*)

NOTE.—No entry is made in the Cash Book for the reason explained 23–34 page 127.

Receive Mdse. from Byron Vaile, Toronto, as per Invoice October 1, on 60 days, 5% off in 10 days, 612.25. (*J.*)

NOTE.—See Business Forms on last pages of text book, for illustration of letter ordering the above invoice, also see explanations 4–7, page 127.

Sales for cash, per drawer, 95.48. (*C. B.*)

3. Pay Lorrain Mfg. Co. cash on %, 100.00. (*C. B.*)

Pay Wm. Strong rent of store one month in advance, by your check on College Bank, 125.00. (*C. B. and Ck. B.*)

NOTE.—See explations 25, page 127.

Sell Frank Goodspeed, Waverly, 1 doz. No. 1 Oval Chopping Trays, @ 5.00; 2 Glass Cheese Safes, @ 4.50; 10 nests F. Pails, @ 1.25. (*S. B.*)

NOTE.—All sales on 60 days time unless otherwise noted.

Sell F. E. Warren, New Rochelle, 3 doz. Novelty D. Z. Washboards, @ 2.50; 5 doz. Eagle S. Z. Washboards, @ 1.75; 5 M No. 4 Paper Bags, @ 1.75, less 10%; 3 doz. 13 inch Butter Bowls, @ 1.75; 4 doz. Cov. W. D. Baskets, @ 2.50; 2 doz. O. C. Trays No. 2, @ 5.00; 1½ doz. No. 10 Feather Dusters, @ 20.00 and 1 doz. No. 12, @ 26.50, less 25 and 10%; 10 gro. Gates' Matches, @ 2.70; 6 Broom Racks, @ 2.50. (*S. B.*)

NOTE.—See Business Forms on last pages of the text book for illustration of above invoice.

Receive of W. & E. Morgan their note at 10 days, payable at Traders' Bank, on %, 500.00. (*J. and B. B.*)

NOTE.—Care must be exercised in making the entries in the Journal and Cash Book, or errors will be made by placing amounts in the wrong columns.

3. Buy a New York draft at ¼% exchange, and remit to Byron Vaile for Invoice September 30, 612.25, less 5%. Give your check on College Bank to cover the draft and exchange. (*C. B. and Ck. B.*)

NOTE.—See Business Forms on last pages of the text book for illustration of letter accompanying the above remittance.

Sell Larkin & Sprong, Groveland, 30 days, 2 doz. Wood Shovels, @ 7.50; 25 lbs. Cotton Twine, @ 24c.; 2 doz. No. 3 Wood Scoops, @ 4.50. (*S. B.*)

4. Pay S. W. Siddons, cash on %, 107.44. (*C. B.*)

Receive Mdse. from Scovell, Hodges & Co., New York, per Invoice, October 2. on 15 days. 812.34. (*J.*)

Receive cash for a note due to-day. (*C. B. and B. B.*)

Deposit cash in College Bank, 2500.00. (*Ck. B.*)

Sales for cash, per drawer, 21.19. (*C. B.*)

Give Brown Bros. & Seaver your note at 10 days, payable at College Bank, on %, 100.00. (*J. and B.B.*)

5. Receive Mdse. from F. M. Reed, Boston, per Invoice October 3, on 90 days, 1540.71. (*J.*)

Sales for cash, per drawer, 62.10. (*C. B.*)

Sell B. N. Achard, Scipio, on his note at 10 days, payable at College Bank, 10 doz. 2-Hoop Pails, @ 2.00; 3 doz. Heavy Hoop Tubs, @ 8.75; 2 doz. Com. Hoop Tubs, @ 8.50; 3 doz. Clothes Pounders, @ 2.00; 10 doz. Rolling Pins, @ 1.25. (*S. B., J. and B. B.*)

NOTE.—Bills Receivable instead of Achard might have been debited in the Sales Book, and then no Journal entry would have been required. As now made the entries could be checked in both Sales Book and Journal to obviate the necessity of opening an account with Achard in the Ledger. If, as in this case, however, it is desired to know at the end of the year the amount of goods sold to a customer, it is better to open an account with him and post all bills, even though paid for at the time of purchase.

Sell Larkin & Sprong, 30 days, 12 doz. Royal Shoe Dressing, @ 1.00; 4 gro. Dixon's Stove Polish, @ 6.00; 3 doz. qts. University Ink. @ 6.00, 10% off. (*S. B.*)

Sell Welch & Dow, Fairport, for cash, 6 gro. Washing Crystal, @ 2.75; 50 boxes Crayon, @ 7c.; 25 gro. No. 2 Kerosene Wick, @ 40c. (*S. B. and C. B.*)

NOTE.—See note under sale to B. N. Achard, above.

6. Receive cash for a note due to-day. (*C. B. and B. B.*)
7. Receive Mdse. from Hopkins & Weeks, Baltimore, per Invoice October 4, on 60 days, 1316.70. (*J.*)
8. Receive from Frank Goodspeed, a draft on New York for Invoice 3d inst., 26.50, less 2%. (*C. B.*)

Sales for cash, per drawer, 52.12. (*C. B.*)

Receive cash for a note due to-day. (*C. B. and B. B.*)

Sell Frank Goodspeed, on 45 days, 2 doz. N. C. Wringers, @ 45.00; 3 doz. Wood Shovels, @ 7.50; 5 doz. H. H. Tubs, @ 8.75; 2 Oil Tanks, @ 16.00, less 25%; 4 doz. Bushel Baskets, Oak, @ 7.50; 3 doz. Horse Brushes, @ 6.00; 5 gro. Kinning's Bluing, @ 8.00.

NOTE.—Write up this invoice on foolscap paper. See Business Forms on last pages of text book for illustration.

Give Scovell, Hodges & Co. your note at 10 days, payable at College Bank, for Invoice October 2, 812.34.

9. Receive Mdse. from Geo. P. Osgood, Chicago, per Invoice October 7, 30 days, 216.50.

Your note due at College Bank, has been charged to your account. (*C. B., B. B and Ck. B.*)

Sell Welch & Dow, 4 doz. qts. University Ink, @ 6.00, less 10 %; 4 doz. H. H. Tubs, @ 8.75; 5 doz. W. Shovels, @ 7.50.

Draw a draft on Cowles & Hutchings, Eastport, at 30 days sight, and remit it to Brown Bros. & Seaver, on %, 100.00. (*J.*)

10. Receive from Larkin & Sprong, cash for Invoice October 3d, 30.00, less 1%. (*C. B.*)

Deposit cash in College Bank, 500.00. (*Ck. B.*)

Receive Mdse. from Byron Vaile, per Invoice October 7, on 60 days, 376.88.

Give F. M. Reed your check on College Bank for Invoice October 3, 1540.71, less 2½%. (*C. B. and Ck. B.*)

Pay cash for Coal, for Office use, 15.30.

Receive of W. & E. Morgan, their note at 10 days, payable at Traders' Bank, to apply on %, 300.00. (*J. and B. B.*)

You may now post the entries for the foregoing ten days' business. See explanations and illustrations on page 134 for using check sheets. Give each account one-fourth of a page space. First post from the Journal. See 4 to 8, page 127, for instructions. See also the Journal form on page 128, showing the columns footed and ruled. Use the Ledger folio to check the posting. The pages of your books will not, of course, correspond with those given in the forms. After opening an account in the Ledger, place the title in the index, together with the number of the page upon which it is opened. See illustration on page 131, also see explanations on page 127. Next post from the Sales Book; see 13–15, page 127. See also form of Sales Book on page 129, showing the Mdse. column footed and ruled.

Balance and prove the cash before commencing to post from the Cash Book. For instructions, see 34–37 page 127. See form of Cash Book on pages 130 and 131, showing the manner of footing and ruling the columns, and bringing down the balance of cash on hand. Cash in Safe, 1332.10; Balance in Bank, shown by Check Book Stub, page 130, 4816.95.

After you have completed the posting, your Ledger should correspond with the one given on pages 132–3–4. Next take a trial balance, using the Continued Trial Balance form as illustrated on page 135. See 40–41 page 127. If no such form is provided in your Trial Balance book, you may rule one. The Ledger titles are all to be entered in the trial balance; but those which balance need not be extended. The footings of the columns are not given in the form; you are to foot and prove them, however, as heretofore. You need not rule up any of the personal accounts, even when settled in full, but continue the pencil footings until the end of the month, in order that the footing of each person's account in the Ledger may show the entire amount of goods bought of or sold to him during that period. Business men frequently carry out this plan through an entire year's business.

After completing the trial balance, continue the work in the same manner as in the preceding ten days' business.

Write up the business forms wherever called for by the Memoranda, and take particular pains with the penmanship, spelling and general appearance of these documents.

OCTOBER 188–

11. Sales for cash per drawer, 65.30.
    Deposit cash in College Bank, 400.00.
12. Sell M. M. Eaton, Seneca, on his note at 15 days, payable at Farmers' Bank, 6 doz. C. Brooms, @ 3.00; 2 doz. C. Trays, @ 5.00; 2 doz. N. D. Z. Washboards, @ 2.50; 10 doz. U. Ink, @ 6.00 less 12½%. (*S. B., J. and B. B.*)
13. Student draws for private use by check on College Bank, 500.00. (*C. B. and Ck. B.*)
14. Received from Frank Goodspeed cash for Invoice Oct. 8, 268.25, less 1½%.
    Leave M. M. Eaton's note at College Bank for collection. (*B. B.*)

    NOTE.—In the column in the Bill Book headed "When and How Disposed of," say "Oct. 14, left at College Bank for collection."

    Receive from Scovell, Hodges & Co. Mdse. per Invoice Oct. 9, at 15 days, 136.27.
    Sell F. E. Warren 3 doz. Willow Clothes Baskets, @ 9.00; 4 doz. Willow Market Baskets, @ 3.50; 5 doz. Cherry Knife Trays, @ 4.50; 3 M Crown Butter Dishes, @ 10.00, less 20 %.
    Sell Frank Goodspeed 5 doz. H. H. Tubs, @ 8.75; 3 doz. Bush. Baskets, Oak, @ 7.50; 20 Nests F. Pails, @ 1.25.
15. Give Lorrain Mfg. Co. your check on College Bank, on %, 90.25.
    Accept Lorrain Mfg. Co.'s draft on you at 10 days sight, payable at College Bank, favor of D. Leary, to apply on %, 100. (*J. and B. B.*)
    Pay cash for Postage, 2.75.
    Buy of Hood & Meyers, City, on 60 days, Mdse. per Invoice Oct. 15, 178.65.
16. Sales for cash per drawer, 136.15.
    Give Hopkins & Weeks your check on College Bank, for Invoice Oct. 7, 1316.70, less 2½%.
    Sell S. M. Smith, City, on ten days, 10 gro. Lead Pencils, @ 1.00; 5 doz. Cotton Clothes Lines, @ 2.00; 10 doz. P. B. Dishes, @ 5.50, less 20%; 1½ doz. Feather Dusters, @ 20.00, less 40%.
    Receive from Geo. P. Osgood, Mdse. per Invoice Oct. 12, 30 days, 460.75.
    Receive of Larkin & Sprong, cash for Invoice Oct. 5, 52.20, less 1%.
    Receive cash for a note due to-day.
    Deposit cash in College Bank, 1500.00.
    H. G. Fuller draws for private use by check on College Bank, 300.00.

17. Remit Geo. P. Osgood your certified check on College Bank, for Invoice Oct. 7, 216.50, less 3 %.

NOTE.—Write up this check on foolscap paper. See Business Forms, on last pages of text book, for certified check.

Sell Larkin & Sprong 2 doz. No. 10 F. Dusters, @ 20.00, less 25 and 10%; 5 doz. H. H. Tubs, @ 8.75; 6 doz. B. Baskets, @ 7.50.

Sales per cash drawer, 162.50.

Receive from Cowles & Hutchings their note at 5 days, payable at Exchange Bank, to apply on %, 600.00.

Sell Hackett & Brisbain, Clinton, 3 doz. N. D. Z. Washboards, @ 2.50; 5 doz. C. K. Trays, @ 4.50; 10 doz. B. Brooms, @ 2.00; 5 doz. H. H. Tubs, @ 8.75; 10 gro. U. Ink, @ 6.00, less 10%; 6 doz. B. Baskets, @ 7.50; 2 doz. No. 10 F. Dusters, @ 20.00, less 35%.

Receive from F. E. Warren a draft on New York for Invoice Oct. 3, 129.51, less 2%.

Your note due to-day at College Bank, charged to your %.

18. Pay Clerks' salaries in full to date, in cash, 87.75.

Deposit in College Bank, cash, 400.00.

Give Hood & Meyers your check on College Bank for Invoice Oct. 15, 178.65, less 5%.

H. G. Fuller makes an additional cash investment of 1000.00.

Receive Mdse. from F. M. Reed per Invoice Oct. 14, on 90 days, 1240.94.

Sell Ralph Richardson, Oneida, 20 gro. G. Matches, @ 2.70; 4 doz. 12 inch B. Bowls, @ 1.75; 6 doz. N. D. Z. Washboards, @ 2.50; 2 doz. No. 1 O. C. Trays, @ 5.00; 4 doz. H. H. Tubs, @ 8.75. Receive his note at 10 days, payable at College Bank, 50.00; balance on %, 60 days. (*S. B., J. and B. B.*)

NOTE.—Richardson being debited in the Sales Book 121.00, and credited in the Journal 50.00, when these entries shall have been posted, the difference in his account will show the balance still due.

Receive cash for a note due to-day.

Sales per cash drawer, 228.79.

19. Receive cash from Welch & Dow for Invoice Oct. 9, 94.10, less 1%.

Sell Wm. Gardner, for cash, 3½ doz. Maud S. Halters, @ 7.50; 4 doz. Curry Combs, @ 1.50; 2 doz. Curry Cards, @ 1.25; 2½ doz. Horse Brushes, @ 6.00.

20. Receive Mdse. from Tilden & Breme, Oswego, per Invoice Oct. 17, on 60 days, 498.40.

Deposit Cash in College Bank, 1000.00.

Sales per cash drawer, 88.45.

Buy for cash, a New York draft at ¼ % exchange, and remit to Byron Vaile for Invoice Oct. 7, 376.88, less 5%.

Pay cash for cartage, 8.35.

You may now balance the Cash Book. The footings of the columns on the debit side of the Cash Book should be as follows: Sundries, 7742.86; Mdse., 681.19; Bills Receivable, 581.75; Discount, 67.19. On the credit side Sundries, 3078.98; Expense, 99.75; Discount, 8.07. Prove the cash; see 34–37, page 127. In Safe, 422.99; in Bank, as shown by Check Book, 5463.20.

Next post and take a trial balance, in accordance with the directions given at the end of the first ten days' business on pages 134 and 138. In posting to Cash account, enter on the credit side 262.86, the payments of cash having exceeded the receipts by that amount since the last posting. See 31–33, page 127.

Remember to place all new accounts in the Index as soon as opened in the Ledger. Add new accounts to the trial balance, as shown on page 135.

After completing the trial balance, continue the work as before.

OCTOBER, 188–.

21. Accept Lorrain Manufacturing Co.'s draft on you in favor of themselves, at 1 day sight, payable at College Bank, 100.00.

Deposit cash in College Bank, 200.00.

Sell Frank Goodspeed, 1 gro. Tytler's Axle Grease, @ 9.00; 2 gro. K. Bluing, @ 8.00; 100 Grain Bags, @ 22c. ea.; 2 M No. 4 Paper B. Dishes, @ 5.50, less 20%.

Your note due to-day charged in at College Bank.

22. Receive Mdse from Byron Vaile per Invoice Oct. 19th, on 90 days, 975.00.
Receive of W. & E. Morgan their note at 60 days, endorsed by Thos Field, payable at Traders' Bank, on %, 500.00.

NOTE.—Draw up this note on foolscap paper, See Business Forms on last pages, for illustration of note with Endorser.

Receive of S. M. Smith, his check on Flower City Bank, in payment of Invoice Oct. 16, 82.00.
Sales for cash, per drawer, 209.14.

23. Sell S. M. Smith, 4 doz. Mouse Traps, @ 50c.; 6 doz. Taylor Mops, @ 1.50; ½ doz. Novelty C. Wringers, @ 45.00; ⅛ doz. No. 14 F. Dusters, @ 30.00, less 25 and 10 %.
Receive cash for a note due to-day.
Receive F. E. Warren's check on Farmers' Bank, New Rochelle, for Invoice Oct. 14, 87.50, less 2 %.
Hackett & Brisbain return for credit 2 doz. F. Dusters from Invoice 17th inst.

24. Remit Scovell, Hodges & Co. a New York draft, which you will purchase by check on College Bank, at ¼ % exchange, in payment of Invoice Oct. 9, 136.27, less 2½ %.

NOTE.—Write the above draft on foolscap paper, and procure from the teacher blank letter sheet and envelope, and write to Scovell, Hodges & Co., enclosing the above remittance. See page 77, also Business Forms on last pages of text book for illustrations. In folding the letter, fold it first from the bottom to one-half its length, or as far as is necessary to fit the length of the envelope, and then fold from the side to one-third its width, or as far as is necessary to fit the width of the envelope.

Sales for cash, per drawer, 115.00.
Deposit in College Bank Currency, 500.00 and Warren's check, 85.75. The bank deducts 25c. for collection of check.

25. Sell F. E. Warren 10 doz. C. Brooms, @ 3.50; 5 doz. H. H. Tubs, @ 8.75; 8 doz. C. K. Trays, @ 4.50; 10 doz. qts. University Ink, @ 6.00, less 12½ %; 5 doz. C. C. Lines, @ 2.00; 10 doz. B. Baskets, @ 7.50; 200 Grain Bags, @ 20 c. ea.; 1½ doz. No. 14 F. Dusters, @ 30.00, less 25 and 10 %; 25 Nests F. Pails, @ 1.25; 5 doz. W. C. Baskets, @ 9.00.
Your acceptance due to-day, charged in at College Bank.
Receive Mdse. from Hopkins & Weeks per Invoice Oct. 20th, on 60 days, 1863.66.
Receive of Cowles & Hutchings their check on Exchange Bank, 200.00, for payment on their note of 600.00, due to-day. They renew the balance by giving a note at 30 days, with interest.

NOTE.—Credit Bills Receivable in Cash Book, 200. Enter the new note of 400.00 in Bill Book, and opposite old note in Bill Book state how it was disposed of.

Memorandum: Procure from the teacher letter sheet and envelope, and write to Tilden & Breme, Oswego, ordering the following Mdse.: 25 doz. No. 1 O. C. Trays, 25 doz. B. Baskets, 15 doz. Barrel Covers, 20 doz. H. H. Tubs, 20 doz. Com. H. Tubs, 5 doz. Novelty C. Wringers, 50 doz. "Gem" Paper Pails, 30 doz. "Queen" Paper Pails. (*See Business Forms on last pages for illustrations.*)

27. Receive from F. Goodspeed cash for Invoice Oct. 14, 91.25, less 2 %.
W. & E. Morgan present Lorrain Mfg. Co.'s sight draft on you for 100.00, which you pass to the credit of their account.
Sales for cash, per drawer, 227.09.
Sell Ralph Richardson 5 doz. N. D. Z. Washboards, @ 2.50; 10 doz. B. Brooms, @ 2.00; 5 doz. C. H. Tubs, @ 7.42; 1½ doz. No. 12 F. Dusters, @ 26.50, less 30 and 5 %; 1 doz. Novelty C. Wringers, @ 45.00; 50 Grain Bags, @ 22c.
Give S. W. Siddons your check on College Bank, to apply on %, 100.00.
Get W. & E. Morgan's note of 500.00, received 22d inst., discounted at College Bank; proceeds placed to your credit. (*C. B., Ck. B. and B. B.*)

NOTE.—Debit Interest Account for the discount on the above note to avoid entering it in the discount column, which is intended for the discount on prepayment of Invoices of Mdse. only.

Pay Gas Bill to date in cash, 5.40.
Receive Mdse. from Tilden & Breme per Invoice Oct. 26, on 60 days, 1248.17.

28. Receive from F. E. Warren a draft on New York for Invoice Oct. 25, 398.87, less 2 %.
Sales for cash, per drawer, 74.25.

28. Deposit cash in College Bank, 1000.00.
Remit F. M. Reed a draft on Boston, which you will purchase at College Bank by check, at ¼% exchange, in payment of Invoice Oct. 14, 1240.94, less 2½ %.
Receive of Cowles & Hutchings to apply on their note of Oct. 25, cash, 200.00.

NOTE.—Draw up this note on foolscap paper, and make the proper indorsement. See Business Forms on last pages for illustration of note with indorsement.

Your acceptancte due to-day, charged in at College Bank.

29. Sell Hackett & Brisbain, 4 gro. D. S. Polish, @ 6.00; 3 doz. U. Ink, @ 6.00, less 10%; 12 doz. R. S. Dressing, @ 1.00.
Receive of Ralph Richardson cash for balance due on Invoices of Oct. 18 and Oct. 27, 223.03, less 2 %.

30. Sales for cash, per drawer, 319.32.
Deposit cash in College Bank, 450.00.
Sell Larkin & Sprong 10 doz. Paper Pails, @ 5.50; 360 lbs. ½-inch Manilla Rope, @ 16c.; 10 doz. Potato Mashers, @ 75c.; 5 Oil Tanks, @ 16.00, less 25%; 10 doz. Barrel Covers, @ 5.00; 5 doz. Bush. Baskets, @ 7.50; 3 M Crown Butter Dishes, @ 6.00, less 20%; 4 doz. No. 10 F. Dusters, @ 20.00, less 25 and 10 and 5 %.

31. Remit Tilden & Breme a draft on New York, which you will purchase at College Bank by check, at ¼% exchange, in payment of Invoices Oct. 17 and Oct. 26, 1746.57, less 3½ %.
College Bank has collected Eaton's note due yesterday, and placed same to your credit less cost of collection, 25c.
Receive of Cowles & Hutchings, to balance %, cash 856.14 and their note endorsed by D. W. Powers, at 4 months, payable at Exchange Bank, with interest, 1000.00.
Receive cash of Hackett & Brisbain for Invoice Oct. 17, 218.75, less Mdse. returned for credit Oct. 23, 26.00, and 2 % of balance.
Receive cash of W. & E. Morgan, to balance %, 614.66.
Sell Wm. Gardner, 30 days, 3 doz. Curry Combs, @ 1.50; 4 doz. H. Brushes, @ 6.00; 2 doz. Maud S. Halters, @ 7.50.
Pay clerks' salaries in full to date, 85.50.
Deposit cash in College Bank, 2000.00.
Make an entry for the interest upon the following transactions as provided for in the copartnership agreement: H. G. Fuller drew for private use, Oct. 16, 300.00. Student drew for private use, Oct. 12, 500.00. H. G. Fuller made an additional investment, Oct. 18, 1000.00. (*J.*)

NOTE.—[46] Debit each partner interest upon amounts drawn out by him from the time of such withdrawal to the time of settlement, and credit him interest upon amounts invested by him from the time of such investment to the time of settlement. [47] It is unnecessary to compute interest upon the original investments when they are equal, as in this case, because the interest balance to each partner's account would not be affected thereby.

INVENTORIES, OCTOBER 31, 188–.

MERCHANDISE—per Inventory Book,	7968 33
EXPENSE—Office Safe,	200 00

You may now prove the cash and balance the Cash Book. In Safe, 267.46; In Bank, 6131.00. The footings of the columns on the debit side of the Cash Book should be as follows: Sundries, 8432.39; Mdse, 944.80; Bills Receivable, 1285.50; Discount, 95.56. On the credit side, Sundries, 4240.95; Expense, 98.96; Discount, 19.88.

[44] It is customary, in business, to prove the cash every day, [45] not necessarily closing the Cash Book, as the columns may be footed in pencil, and the proof taken upon a separate sheet.

After posting take a trial balance and make a statement giving the results of the business, as shown in the form on page 135, after which close and rule up all the Ledger accounts. Before closing the Mdse. account close Discount account into it. Discount is only kept here as a separate account to enable us to determine the amount of allowances upon invoices prepaid. If this information were not desired, Mdse. might be debited and credited for the allowances at the time of making them.

QUESTIONS FOR REVIEW.

Page 126.—[1] What is this set designed to illustrate? [2] What advantages are derived from the methods illustrated, and how obtained? [3] For what purpose might it be necessary to change the forms of books as here used, and how could the change be made?

Page 127.—[4] What is the peculiar feature of the Journal as used in this set? [5] In what way is the combination of the two books effected? [6] Explain the use of the extra column. [7] How is it posted? [8] How are the items in the Sundries column posted? [9] What disposition is made of the Invoices? [10-11] If pasted in an Invoice Book, how may this book be used? [12] Explain the use of the Sales book. [13] What disposition is made of the net amount of each sale? [14] What course is pursued with the last column? [15] How posted? [16] How may an additional advantage be secured from the Sales Book? [17] Explain the use of the Check Book. [18] Is it necessary to open a bank account in the Ledger? [19] What entry is made for a deposit? [20] How does this debit the bank? [21] What entry is made when a check is drawn? [22] How does this credit the bank? [23] Is an entry to be made in the Cash Book when cash is deposited? [24] Why not? [25] When checks are drawn upon the bank, in what other book beside the Check Book is the entry made? Why? [26] Explain the use of the Cash Book. [27] How arranged? [28] For what purpose? [29] How are the special columns posted? [30] How are the items in the Sundries columns posted? [31] How is the cash posted? [32] How posted if the balance of cash is less than at the last posting? [33] How if more? [34] How is the total debit of cash found? [35] The total credit? [36] What will the difference show? [37] How is the cash on hand found? [38] How is the Bill Book to be kept in this set? [39] Can it be kept as a principal book? Why is it not usually so kept? [40] What name is given to the trial balance used in this set? [41] What advantage is derived from its use? [42] Describe a convenient form for a Ledger Index. [43] When the number of accounts is large, what form of Index is generally used?

Page 141.—[44] How frequently is the cash proved in business? [45] How may it be proved without closing the Cash Book? [46] How is the interest account between the partners adjusted? [47] When the original investments are equal why is it unnecessary to compute interest upon them?

NOTE.—Should the teacher consider it desirable the student may be required to draw up all of the papers and forms in the foregoing memoranda. In the absence of an actual business department especially, it would be best to make such a requirement.

Excellent drill for the student could also be secured by requiring him to continue the foregoing business for ten or twenty days longer, *originating his own transactions*. if this plan were pursued, an amount would have to be assumed for a Mdse. inventory at the time of closing the books.

RETAILER'S BOOKS,

(DOUBLE ENTRY,)

DESIGNED FOR RETAIL GROCERIES, MARKETS, SHOPS, ETC.

[1] The following arrangement of books and records is designed to illustrate a popular system of book-keeping for a retail business. While it does not strictly conform to the principles of Double Entry book-keeping, inasmuch as the Merchandise account is not made to show all of the purchases and sales, yet the final results are just as accurate, and are obtained at a great saving of time and labor.

[2] The books required are an Order Book, Cash Book, Journal, Personal Ledger and Ledger. The Order Book and Personal Ledger are used as auxiliary books; the others as principal.

The [3] Order Book is a cheap, coarse book, made usually with a page about twelve inches long and five inches wide, and lies upon the counter. In it are entered the orders as they are received during the day. [4] Goods to be delivered, that are paid for when ordered, are entered regularly in the Order Book, and the word "Paid" written across the order. [5] If not paid, the items are entered in the purchaser's account in the Personal Ledger at the close of the day's business.

[6] The Cash Book does not differ from the form already illustrated, and is used as a principal book. It need not be closed oftener than once a week, or once a month The first column on the debit side is devoted to cash sales of Mdse.

[7] The Journal contains all entries excepting those made in the Cash Book. [8] The Journal may be dispensed with by using the Cash Book as illustrated in the Cash Method, on pages 110–111.

[9] The Personal Ledger contains accounts with customers only, and is entirely an auxiliary book. [10] Sales on account are regarded as merchandise on hand until the accounts are paid, at which time Merchandise is credited with such payments. [11] The ordinary Journal ruling is considered preferable for a Personal Ledger of this character, as it affords more room for items. [12] All statements may be made out from the Personal Ledger without referring to any other book.

[13] The Ledger is used as in any other business.

The student will be expected to post and take a Trial Balance at the end of the first week, and close the Ledger at the end of the second week. [14] The accounts in the Personal Ledger will have to be included in the inventory in closing the Merchandise account. [15] No Bank account will be kept in the Ledger. [16] The Cash Book will exhibit all cash in bank and on hand, as illustrated in the Wholesale Business on page 131. [17] You will credit Cash when a check is given, and make no entry for deposits, except in the Check Book.

Mrs. J. H. Smith, 18 Brown St.

188-						
Nov.	1	1 lb. J. Tea 50, 10 lb. G. Sug 1 05, 1 gal N. O. Mol 45		2		
	2	5 bu. Potatoes 3 00, 3 doz. Eggs 54, 5 lb. Butter 1 25		4	79	
				6	79	
	3	Cash				5
		5 plb. Chicken 66, 10 B. Sug 90, 5 Mackl 40		1	96	
	5	3 " Crackers 30, 1 Lemon Ex. 20			50	
		1 pkg Pepper 25, 2 gal K. Oil 30			55	
		3 C. Fish 24, 10 A. C. Sug 1 00		1	24	
				11	04	
		Cash				5 10
	8	1 pk S. Potatoes 50, 1 10 lb. bag Salt 20			70	
		1 W. Tub 50, 1 bbl. Apples 2 00		2	80	
	8	Cash				4 54
				14	54	14 54
	9	10 lb. G. Sug 1 05, 4 Chicken 40, 2 qt Oysters 60		2	13	
	11	1 bbl. N. P. Flour 8 75, 2 R. Coffee 64		9	39	
				11	52	
	12	Cash				10

JOHN WILSON, 119 Fourth Street.

188-						
Nov.	1	10 lbs. A. C. Sugar, 95; 4½ C. Fish, 36		1	31	
		2 J. Coffee, 70; 5 gal. K. Oil, 75		1	45	
	3	Cash,		2	76	2 76
	4	4 lbs. Crackers, 40; 4 bu. Potatoes, 2 40		2	80	
		1 bag Salt, 20; 3 Raisins, 36			56	
	6	1 box Starch, 40; 2 cans Oysters, 60		1		
		1 bbl. Apples, 2 00; 1 cake Chocolate, 35		2	35	
				6	71	
	8	Cash,				5
	12	2 bas. Peaches, 2 40; 10 B. Sugar, 95; 1 pk. S. Potatoes, 60		3	95	

W. L. WOOD, 26 State Street.

188-						
Nov.	1	3 doz. Eggs, 60; 10 lbs. B. Sugar, 90		1	50	
		5 bu. E. R. Potatoes, 3 00; 2 W. Pails, 40		3	40	
	2	10 lbs. Butter, 2 50; 5 Chicken, 60; 10 A. C. Sugar, 95		4	05	
	4	10 G. Sugar, 1 05; 5 K. Oil, 75; 5 C. Fish, 40; 3 lbs. Crackers, 30		2	50	
				11	45	
	5	Cash,				10
	8	1 box Soap, 4 15; 1 pk. S. Potatoes, 50; 3 doz. Eggs, 60		5	25	
	11	2 J. Coffee, 70; 1 lb. J. Tea, 50; 1 N. P. Flour, 8 75		9	95	
				26	65	
	13	Cash,				10
						26

ORDER BOOK.

NOVEMBER 1, 188–.

Mrs. J. H. Smith, 18 Brown St.				
1 lb. Jap. Tea,		.50		
10 " Gran. Sugar,	10½,	1.05		
1 gal. N. O. Molasses,		.45		
			2	
W. L. Wood, 26 State St.				
3 doz. Eggs,	20,	.60		
10 lbs. B. Sugar,	9,	.90		
5 bu. E. R. Potatoes,	60,	3.00		
2 W. Pails,	20,	.40		
			4	90
John Wilson, 119 Fourth St.				
10 lbs. A. C. Sugar,	9½,	.95		
4½ " C. Fish,	8,	.36		
2 " J. Coffee,	35,	.70		
5 gal. K. Oil,	15,	.75		
			2	76
A. C. Davis, 126 Tremont St.				
15 lbs. G. Sugar,	10½,	1.58		
10 " B. "	9,	.90		
5 bu. Potatoes,	60,	3.		
5 lbs. L. Raisins,	13,	.65		
			6	13
B. J. Brown, 38 St. Paul St.				
1 lb. Y. H. Tea,		.48		
15 lbs. A. C. Sugar,	9½,	1.43		
5 " C. Fish,	8,	.40		
1 gal. S. H. Syrup,		.68		
			2	99
F. G. Ransom, 98 Spring St.				
10 lbs. A. C. Sugar,	9½,	.95		
5 bu. Potatoes,	60,	3.		
1 lb. Jap. Tea,		.50		
2 lbs. J. Coffee,	35,	.70		
			5	15

NOVEMBER 2, 188–.

W. L. Wood, 26 State St.				
10 lbs. Butter,	25,	2.50		
5 " Chicken,	12,	.60		
10 " A. C. Sugar,	9½,	.95		
			4	05
Mrs. J. H. Smith, 18 Brown St.				
5 bu. Potatoes,	60,	3.		
3 doz. Eggs,	18,	.54		
5 lbs. Butter,	25,	1.25		
			4	79
D. Lucas, 10 Jones St.				
10 lbs. B. Sugar,	9,	.90		
5 bu. Potatoes,	60,	3.		
10 lbs. Butter,	25,	2.50		
			6	40
A. C. Davis, 126 Tremont St.				
10 lbs. Butter,	25,	2.50		
10 " A. C. Sugar,	9½,	.95		
1 " Jap. Tea,		.50		
			3	95

NOVEMBER 3, 188–.

F. G. Ransom, 98 Spring St.				
10 lbs. Butter,	25,	2.50		
5 " Chicken,	12,	.60		
1 gal. K. Oil,		.15		
			3	25

ORDER BOOK.

NOVEMBER 3, 188–.

Mrs. J. H. Smith, 18 Brown St.				
5½ lbs. Chicken,	12,	.66		
10 " B. Sugar,	9,	.90		
5 " Mackerel,	8,	.40		
			1	96
D. Lucas, 10 Jones St.				
6 lbs. Chicken,	12,	.72		
5 doz. Eggs,	18,	.90		
2 Brooms,	25,	.50		
2 W. Pails,	25,	.50		
			2	62
B. J. Brown, 38 St. Paul St.				
1 Broom,		.25		
6 lbs. Chicken,	12,	.72		
10 " Gran. Sugar,	10½,	1.05		
			2	02

NOVEMBER 4, 188–.

W. L. Wood, 26 State St.				
10 lbs. Gran. Sugar,	10½,	1.05		
5 gals. K. Oil,	15,	.75		
5 lbs. C. Fish,	8,	.40		
3 " Crackers,	10,	.30		
			2	50
John Wilson, 119 Fourth St.				
4 lbs. Crackers,	10,	.40		
4 bu. Potatoes,	60,	2.40		
1 bag Salt, 10 lbs.,		.20		
3 lbs. Raisins,	12,	.36		
			3	36
A. C. Davis, 126 Tremont St.				
1 box Pepper,		.25		
1 Ex. Lemon,		.20		
5 K. Oil,	15,	.75		
3½ lbs. Chicken,	12,	.42		
			1	62
D. Lucas, 10 Jones St.				
3 lbs. Crackers,	10,	.30		
2 " J. Coffee,	35,	.70		
2 gals. K. Oil,	15,	.30		
10 lbs. G. Sugar,	10½,	1.05		
			2	35

NOVEMBER 5, 188–.

Mrs. J. H. Smith, 18 Brown St.				
3 lbs. Crackers,	10,	.30		
1 Lem. Extract,		.20		
1 box Pepper,		.25		
2 gals. K. Oil,	15,	.30		
3 lbs. C. Fish,	8,	.24		
10 " A. C. Sugar,	10,	1.		
			2	29
B. J. Brown, 38 St. Paul St.				
5 bu. Potatoes,	60,	3.		
3 lbs. J. Coffee,	35,	1.05		
5 " Butter,	25,	1.25		
			5	30
F. G. Ransom, 98 Spring St.				
1 box Pepper,		.25		
10 lbs. G. Sugar,	10½,	1.05		
2 Brooms,	25,	.50		
2 W. Pails,	20,	.40		
			2	20

CASH BOOK.

NOVEMBER, 188–.

Nov.	1	Student,	Investment,			2500	
	"	Mdse.	Cash sales,	28	45		
	2	"	" "	27	90		
	3	"	" "	48	90		
	4	"	" "	92	32		
	5	"	" "	97	25		
	6	"	" "	105	95		
						395	77
						2895	77
Nov.	7	Balance,				1623	75

JOURNAL.

NOVEMBER 1, 188–

	Mdse.		1087	50		
		To H. A. Brewster,			1087	50
		Invoice due in 10 days.				
		2.				
	Mdse.		327	50		
		To Geo. C. Buell & Co.			327	50
		Invoice due in 30 days.				
		3.				
	Student,		6	50		
		To Mdse.			6	50
		Private use.				
		5.				
	Mdse.		117	50		
		To Geo. C. Buell & Co.			117	50
		Invoice due in 30 days.				
		"				
	Mdse.		63	18		
		To H. A. Brewster & Co.			63	18
		Invoice due in 10 days.				
		6.				
	Student,		9	80		
		To Mdse.			9	80
		Private use.				

CASH BOOK.

NOVEMBER, 188–.

Nov.	1	Expense,	Iron Safe,	100			
	"	"	Horse, 125; Harness, 12,	137			
	"	"	Wagon,	60			
	"	"	P. Scales, 35; C. Scales, 26,	61			
	"	"	Office Books,	7			
	"	Mdse.	Invoice of S. P. & Co.	672	27		
	3	"	Vegetables, Poultry, etc.	39	84		
	"	Student,	Private use,	10			
	4	Mdse.	Vegetables, Poultry, etc.	36	24		
	"	"	Crackers, etc., J. Howe & Son,	38	92		
	"	Expense,	Hay, Oats, etc.	28	75		
	5	"	Insurance,	15			
	"	"	Horseshoeing,	2	50		
	6	"	Stuart & Co., Carpenter Work,	26	50		
	"	Student,	Private use,	15			
	"	Expense,	J. Dunn, 10; R. H. King, 12,	22			
	"					1272	02
		Balance,				1623	75
						2895	77

MEMORANDA OF TRANSACTIONS.

NOVEMBER 1, 188–.

I have commenced a Retail Grocery and Provision Business this day, in the store No. 294 Main Street, leased of J. A. Reed for five years, at $600.00 per year.

Appropriated as capital 2500.00, as shown by a pass book containing a credit to my account at First National Bank. (*C. B., pages 146–147.*)

At the close of the first day's business I find upon the desk memoranda of business transacted. as follows:

Receipted bills for an Iron Safe, 100.00; Horse, 125.00; Harness, 12.00; Wagon, 60.00; Platfo.. Scales, 35.00; Counter Scales, 26.00; and Office Books, 7.00; purchased by check. (*C. B.*)

An invoice of Groceries, Wooden Ware, etc., purchased of Smith, Perkins & Co., City, amountin. to 725.80. The terms of purchase are 6 months, or 5 and 2½ off for cash. Paid by check. (*C. B.*)

An invoice of Groceries, Provisions, Canned Goods, etc., purchased of H. A. Brewster & Co., City amounting to 1087.50. Terms, 10 days. (*J., page 146.*)

NOTE.—In a business of this character considerable merchandise in the form of fruit, vegetables, etc., is daily purchased of gardeners, and paid for out of the cash drawer. In such case no entry is necessary, as the merchandise purchased replaces other goods sold, for which this cash was received.

An exchange of goods from the store for fruit, vegetables, etc., a balance being paid or received in cash, is also a common transaction, and requires no entry, for the reason indicated above. A balance received would increase the drawer cash and be entered as a sale at the end of the day, and a balance paid would reduce the amount of drawer sales, in effect showing a purchase of goods.

The following charges are found on the Order Book: Mrs. J. H. Smith, 18 Brown St., 1 lb. Japan Tea, 50c.; 10 lbs. Gran. Sugar, @ 10½c.; 1 gal. N. O. Molasses, 45c. W. L. Wood, 26 State St., 3 doz. Eggs, @ 20c.; 10 lbs. B. Sugar, @ 9c.; 5 bu. E. R. Potatoes, @ 60c.; 2 W. Pails, @ 20c. John Wilson, 119 Fourth St., 10 lbs. A. C. Sugar, @ 9½c.; 4½ lbs. C. Fish, @ 8c.; 2 lbs. Java Coffee, @ 35c.; 5 gals. K. Oil, @ 15c. A. C. Davis, 126 Tremont St., 15 lbs. Gran. Sugar, @ 10½c.; 10 lbs. B. Sugar, @ 9c.; 5 bu. Potatoes, @ 60c.; 5 lbs. L. Raisins, @ 13c. B. J. Brown, 38 St. Paul St., 1 lb. Y. H. Tea, 48c.; 15 lbs. A. C. Sugar, @ 9½c.; 5 lbs. C. Fish, @ 8c.; 1 gal. S. H. Syrup, 68c. F. G. Ransom, 98 Spring St., 10 lbs. A. C. Sugar, @ 9½c.; 5 bu. Potatoes, @ 60c.; 1 lb. Jap. Tea, 50c.; 2 lbs. Java Coffee, @ 35c. (*O. B. and P. L., pages 144 and 145.*)

NOTE.—Give each account in the Personal Ledger a whole page.

Cash sales, shown by cash in drawer, 28.45. (*C. B.*)

NOVEMBER 2, 188–.

At the close of this day's business I find the following memoranda upon the desk:

Invoice of Provisions, Wooden Ware, etc., bought of Geo. C. Buell & Co., at 30 days, amounting to 327.50. (*J.*)

I also find upon the Order Book the following: W. L. Wood, 26 State St., 10 lbs. Butter, @ 25c.; 5 lbs. Chickens, @ 12c.; 10 lbs. A. C. Sugar, @ 9½c. Mrs. J. H. Smith, 18 Brown St., 5 bu. Potatoes, @ 60c.; 3 doz. Eggs, @ 18c.; 5 lbs. Butter, @ 25c. D. Lucas, 10 Jones St., 10 lbs. B. Sugar, @ 9c.; 5 bu. Potatoes, @ 60c.; 10 lbs. Butter, @ 25c. A. C. Davis, 126 Tremont St., 10 lbs. Butter, @ 25c.; 10 lbs. A. C. Sugar, @ 9½c.; 1 lb. Jap. Tea, 50c. (*O. B. and P. L.*)

Cash sales for the day, 27.90. (*C. B.*)

NOVEMBER 3, 188–.

At the close of business this day I find the following memoranda upon the desk:

Slip on a spindle showing that I have purchased Vegetables, Poultry, Butter, etc., of a farmer, by check, to the amount of 39.84. (*C. B.*)

NOTE.—An entry should be made of this transaction, as omitting it would cause a deficiency in cash. Only such merchandise as is paid for out of the drawer with the proceeds of current sales should be omitted.

The following orders are found upon the Order Book: F. G. Ransom, 98 Spring St., 10 lbs. Butter, @ 25c.; 5 lbs. Chickens, @ 12c.; 1 gal. K. Oil, 15c. Mrs. J. H. Smith, 18 Brown St., 5½ lbs. Chickens, @ 12c.; 10 lbs. B. Sugar, @ 9c.; 5 lbs. Mackerel, @ 8c. D. Lucas, 10 Jones St., 6 lbs. Chickens, @ 12c.; 5 doz. Eggs, @ 18c.; 2 Brooms, @ 25c.; 2 W. Pails, @ 25c. B. J. Brown, 38 St. Paul St., 1 Broom, 25c.; 6 lbs. Chickens, @ 12c.; 10 lbs. G. Sugar, @ 10½c. (*O. B. and P. L.*)

The cash sales for the day have been 48.90, which includes amounts paid in on account by Mrs. J. H. Smith, 5.00; John Wilson, to balance a/c, 2.76; and A. C. Davis, 5.00. (*C. B. and P. L.*)

NOTE.—Foot Wilson's account and rule it up. See Mrs. J. H. Smith's account, page 144.

I have appropriated 10.00 cash, and goods from the store amounting to 6.50, to my private use. (*C. B. and J.*)

NOVEMBER 4, 188–.

The following memoranda was found upon the desk at the close of this day: A slip showing that I have bought Vegetables, Poultry, Butter, etc., of farmers, by checks, amounting to 36.24. An invoice of Crackers from J. Howe & Son, 38.92; paid by check. A bill of 28.75 for Hay, Oats and Straw, for horse; paid by check. (*C. B.*)

I find the following upon the Order Book: W. L. Wood, 26 State St., 10 lbs. G. Sugar, @ 10½c.; 5 gals. K. Oil, @ 15c.; 5 lbs. C. Fish, @ 8c.; 3 lbs. Crackers, @ 10c. John Wilson, 119 Fourth St., 4 lbs. Crackers, @ 10c.; 4 bu. Potatoes, @ 60c.; 1 bag Salt, 10 lbs., 20c.; 3 lbs. Raisins, @ 12c. A. C. Davis, 126 Tremont St., 1 box Pepper, 25c.; 1 Lemon Ext., 20c.; 5 gals. K. Oil, @ 15c.; 3½ lbs. Chicken, @ 12c. D. Lucas, 10 Jones St., 3 lbs. Crackers, @ 10c.; 2 lbs. J. Coffee, @ 35c.; 2 gals. K. Oil, @ 15c.; 10 lbs. G. Sugar, @ 10½c. (*O. B. and P. L.*)

Received payments from the following customers on a/c, shown by slips on a spindle: D. Lucas, 10.00; F. G. Ransom, in full, 8.40 (rule up his account); A. C. Davis, 6.00.

Cash sales for the day, 67.92, which, added to payments on a/c, make the entire credit to Mdse. for the day, 92.32. (*C. B. and P. L.*)

NOVEMBER 5, 188–

At the close of this day I find the following memoranda on the desk: Invoice of Groceries, from Geo. C. Buell & Co., 117.50; terms, 30 days. (*J.*) Invoice of Groceries, from H. A. Brewster & Co., 63.18; terms, 10 days. (*J.*) A Policy of Insurance on stock and fixtures of 1500.00; Premium, 1 %, paid by check. (*C. B.*) Receipted bill for Shoeing Horse, 2.50. (*C. B.*)

The following is found on the Order Book: Mrs. J. H. Smith, 18 Brown St., 3 lbs. Crackers, @ 10c.; 1 Lem. Ext., 20c.; 1 pkg. Pepper, 25c.; 2 gals. K. Oil, @ 15c.; 3 lbs. C. Fish, @ 8c.; 10 lbs. A. C. Sugar, @ 10c. B. J. Brown, 38 St. Paul St., 5 bu. Potatoes, @ 60c.; 3 lbs. J. Coffee, @ 35c.; 5 lbs. Butter, @ 25c. F. G. Ransom, 98 Spring St., 1 pkg. Pepper, 25c.; 10 lbs. Gran. Sugar, @

10½c.; 2 Brooms, @ 25c.; 2 W. Pails, @ 20c. P. J. Warner, 19 Wood St., 1 lb. Jap. Tea, 60c.; 10 lbs. G. Sugar, @ 10½c.; 1 gal. K. Oil, 15c.; 5 lbs. Crackers, @ 10c.; 5 bu. Potatoes, @ 60c. (*O. B. and P. L.*)

The following customers paid on %: Mrs. J. H. Smith, 5.00, and W. L. Wood, 10.00. Cash sales, per drawer, 77.25, with payments on % added make entire credit to Mdse. 92.25. (*C. B. and P. L.*)

NOVEMBER 6, 188–.

The following memoranda is found upon the desk at the close of this day's business: Receipted bill of Stuart & Co., for carpenter work on counters and bins, of 26.50; paid by check. (*C. B.*)

Slips in the cash drawer showing that I have appropriated 15.00 cash and 9.80 in goods from the store, and that I have paid J. Dunn and R. H. King, clerks, 10.00 and 12.00 respectively, for salaries for week. (*C. B. and J.*)

Cash sales, shown by cash and slips in drawer, 105.95.

I find the following unpaid orders upon the Order Book: John Wilson, 119 4th St., 1 box Starch, 6 lbs., 40c.; 2 cans Oysters, @ 30c.; 1 bbl. Apples, 2.00; 1 cake Chocolate, 35c. D. Lucas, 10 Jones St., ½ lb. Pepper, @ 30c., 15c.; 1 pk. Sweet Potatoes, 50c.; 5½ lbs. C. Fish, @ 8c. 1 Lem. Ext., 20c.; 1 10-lb. bag Salt, 20c. L. J. Seymour, 19 Beach St., 3 doz. Eggs, @ 18c.; 2 cans Oysters, @ 30c.; 4 lbs. Crackers, @ 10c.; 2 bu. Potatoes, @ 60c. F. Woodbury, 16 Locust St., 2 Brooms, @ 25c.; 3 bu. Potatoes, @ 60c.; 5½ lbs. Chicken, @ 12c.; 4 lbs. Crackers, @ 10c.; 1 bbl. Apples, 2.00. (*O. B. and P. L.*)

NOTE.—You will now close the Cash Book, post and take a Trial Balance. Give each account one-fourth of a page space. Balance of cash, as shown by Cash Book, 1623.75.

NOVEMBER 8, 188–.

The following memoranda appear upon the desk at the close of this day: Receipted bill for a ton of Coal for use of store, 5.75; paid by check. Bill of W. Moran for Stove, Coal Hod, etc., bought on %, 41.50. Invoice of goods bought of H. A. Brewster & Co., at 10 days, amounting to 217.50. Horse bought for use of store, by check, 85.00.

The following appear upon the Order Book: Mrs. J. H. Smith, 18 Brown St., 1 pk. S. Potatoes, 50c.; 1 10-lb. bag Salt, 20c.; 1 W. Tub, 80c.; 1 bbl. Apples, 2.00. W. L. Wood, 26 State St., 1 box Soap, 4.15; 1 pk. S. Potatoes, 50c.; 3 doz. Eggs, @ 20c. B. J. Brown, 38 St. Paul St., 5 lbs. L. Raisins, @ 13c.; 1 bbl. Apples, 2.00; 1 lb. Jap. Tea, 50c.; 1 Lem. Ext., 20c. A. C. Davis, 126 Tremont St., 1 W. Tub, 80c.; 10 lbs. A. C. Sugar, @ 10c.

The following amounts were paid on %: Mrs. J. H. Smith, in full, 4.54; John Wilson, 5.00; B. J. Brown, 10.00. Cash sales, including payments on %, 93.82.

NOVEMBER 9, 188–.

Paid for new Harness by check, 24.00. Paid cash for building Coal Bin, 2.00, and for Lumber for same, 1.75.

Order Book: D. Lucas, 10 Jones St., 3 doz. Eggs, @ 20c.; 10 lbs. B Sugar, @ 9c.; 1 box Soap, 4.15; 2 lbs. L. Raisins, @ 12c. P. J. Warner, 19 Wood St., 1 pk. S. Potatoes, 50c.; 1 W. Tub, 80c.; 10 lbs. B Sugar, @ 9c.; 6 lbs. Chickens, @ 12c.; 1 bbl. Apples, 2.00. L. J. Seymour, 19 Beach St., 1 bbl. N. C. Flour, 8.75; 1 pk. S. Potatoes, 50c.; 1 box Soap, 4.15. F. Woodbury, 16 Locust St., 3 lbs. L. Raisins, @ 13c.; 1 W. Tub., 80c.; 1 gal. N. O. Molasses, 45c.; 10 lbs. Gran. Sugar, @ 10½c. Mrs. J. H. Smith, 18 Brown St., 10 lbs. G. Sugar, @ 10½c.; 4 lbs. Chicken, @ 12c.; 2 cans Oysters, @ 30c.

Cash Sales, 93.18.

NOVEMBER, 10, 188–.

Drew 15.00 cash, for private use, and appropriated 14.60 in goods,

Order Book: F. G. Ransom, 98 Spring St., 1 box Soap, 4.15; 2 lbs. Coffee, @ 32c.; 1 W. Tub, 80c.; P. J. Warner, 19 Wood St., 1 Lem. Ext., 20c.; 10 lbs. A. C. Sugar, @ 10c.; 1 gal. N. O. Molasses, 45c.; 1 bbl. N. P. Flour, 8.75. B. J. Brown, 28 St. Paul St., 1 bbl. N. P. Flour, 8.75; 2 W. Pails, @ 20; 1 Basket, 18c. L. J. Seymour, 19 Beach St., 2 cans Oysters, @ 30c.; 1 Lem. Ext., 20c.; 4½ lbs. Chickens, @ 12c.; 10 lbs. G. Sugar, @ 10½c.

Payments on account, L. J. Seymour, 15.00; F. Woodbury, in full, 8.05; D. Lucas, 7.00; P. J. Warner, 20.00. Cash sales, including payments on account, 136.27.

NOVEMBER 11, 188–.

I find upon the desk the following: A receipted statement from H. A. Brewster & Co., of Invoice of 1st inst., paid by check, 1087.50.

Order Book: F. Woodbury, 16 Locust St., 1 bbl. N. P. Flour, 8.75; 1 pk. S. Potatoes, 50c.; 2 W. Pails, @ 20c. L. J. Seymour, 10 Beach St., 10 lbs. B. Sugar, @ 9½c.; 3 doz. Eggs, @ 20c.; 2 W. Tubs, @ 80c.; 1 bbl. Apples, 2.00. Mrs. J. H. Smith, 18 Brown St., 1 bbl. N. P. Flour, 8.75; 2 lbs. R. Coffee, @ 32c. W. L. Wood, 26 State St., 2 lbs. J. Coffee, @ 35c.; 1 lb. Jap. Tea, 50c.; 1 bbl. N. P. Flour, 8.75.

Payments on account, B. J. Brown, 10.00; F. G. Ransom, 5.00. Cash sales, including payments on accounts, 141.23.

NOVEMBER, 12, 188–.

Paid cash for graining counters and bins, 11.75. Bought Fruit, Poultry, &c., by check, 32.15.

Order Book: P. J. Warner, 19 Wood St., 1 bbl. Apples, 2.00; 1 basket Peaches, 1.50; 10 lbs. Concord Grapes, @ 4c.; 10 lbs. Gran. Sugar, @ 10½c. D. Lucas, 10 Jones St., 10 bu. Potatoes, @ 60c.; ½ bu. S. Potatoes, 1.20; 2 cans Oysters, @ 30c.; 4½ lbs. Chickeens, @ 12c. John Wilson, 119 4th St., 2 baskets Peaches, @ 1.20; 10 lbs. B. Sugar, @ 9½c.; 1 pk. S. Potatoes, 60c. A. C. Davis, 126 Tremont St., 5 lbs. Chickens, @ 12c.; 2 cans Oysters, @ 30c.; 2 lbs. Crackers, @ 12c.; 2 baskets Peaches, @ 1.20; 2 bu. Potatoes, @ 60c.

Payment on account, Mrs. J. H. Smith, 10.00. Cash Sales, including payment, 168.83.

NOVEMBER 13, 188–.

Paid cash for Horseshoeing, 2.50; clerks' salaries for week, 10.00 and 12.00; Letter Heads and Envelopes, 2.00; and Postage, 30c.

Order Book: A. C. Davis, 126 Tremont St., 1 bbl. N. P. Flour, 8.75; 1 pk. S. potatoes, 60c.; 4½ lbs. C. Fish, @ 8c. F. G. Ransom, 98 Spring St., 6 lbs. Mackerel, @ 6½c.; 2 cans Oysters, @ 30c.; 1 bbl. Apples, 2.00; 3 lbs. L. Raisins, @ 13c. John Mead, 163 Smith St., 1 bbl. N. P. Flour, 8.75; 4 bu. Potatoes, @ 60c.; 1 can Oysters, 30c.; 2 lbs. Java Coffee, @ 36c.; 1 lb. Japan Tea, 60c.; 1 box Soap, 4.15; 1 bbl. Apples, 2.00.

Payments on account, A. C. Davis, 10.00; W. L. Wood, 10.00; John Mead, 15.00; B. J. Brown, in full, 2.99. Cash sales, including payments, 163.19.

Having now conducted the business two weeks, I have determined to close the accounts showing gains and losses, and ascertain the result of the venture.

RESOURCE INVENTORIES.

NOTE.—Since the sales of merchandise on account are not credited to Mdse. account when made, it is apparent that the balance of all the accounts in the Personal Ledger should be included in the Inventory.

MERCHANDISE—in Store,	1640 85	
" Personal Ledger:—F. Woodbury, 9.65; L. J. Seymour, 8.68; Mrs. J. H. Smith, 1.52; W. L. Wood, 6.65; John Wilson, 5.66; A. C. Davis, 7.25; F. G. Ransom, 6.17; D. Lucas, 10.09; P. J. Warner, 5.57; John Mead, 3.92,	65 16	
		1706 01
EXPENSE—2 Horses, 310.00; 1 Wagon, 66.00; P. Scales, 35.00; C. Scales, 26.00; 2 Harnesses, 30.00; Hay, Oats, &c., 20.00,		487 00

LIABILITY INVENTORY.

EXPENSE—One-half Month's Rent unpaid, to be debited to Expense,	25 00

Net Gain, 100.30; Balance of Cash, 1128.57.

QUESTIONS FOR REVIEW.

Page 143.—[1] To what kind of business is this arrangement of books adapted? [2] What books are required? [3] Describe the Order Book. [4] How are goods marked in the Order Book that are paid for when purchased? [5] When are the entries in the Order Book posted? [6] Describe the Cash Book. [7] What does the Journal contain? [8] How may the Journal be dispensed with? [9] Describe the Personal Ledger. [10] How are sales on account regarded? [11] Why is the ordinary Journal ruling preferable for a Personal Ledger? [12] From what book will statements of customers' accounts be made? [13] How is the Ledger used? [14] How are the accounts in the Personal Ledger treated in closing the Ledger? [15] Why is no Bank account in the Ledger necessary? [16] What will the Cash Book exhibit if no Bank account is kept? [17] How are deposits and checks entered?

MANUFACTURING.

The following arrangement of books is similar in all essential particulars to that of one of the most extensive furniture manufacturing firms in America, and was selected on account of its exceeding simplicity and completeness.

[1] The books required are a Sales Book, Cash Book, Journal and Ledger as principal books, and a Hands Register and Bill Book as auxiliaries.

In an extensive business a book called a Tickler is sometimes kept to record the maturity of bills purchased on time on account. This book, as ordinarily used, contains columns for the date of the invoice, the purchaser's name, his address, the terms, the day of maturity, the amount and remarks. A number of pages are set aside for each month of the year, and all bills falling due in any month are entered in the space provided for that particular month.

[2] The Sales Book contains all sales on account, giving the articles, terms of sale and amounts. [3] The purchasers are debited direct from the Sales Book with the amount of each sale, [4] and Mdse. account is credited with the daily, weekly or monthly footing.

[5] The Cash Book does not vary from the ordinary form, excepting that the debit column on the left hand page is devoted to the cash sales of merchandise. [6] All "Regular" bills described in the Memoranda, have four months to run; but if the purchaser chooses to settle within thirty days, he is allowed a discount. [7] Instead of crediting the purchaser's account in the Cash Book with the net amount of cash received, and in the Journal with the discount, the purchaser is credited in the Cash Book for the entire amount of the settlement and Discount account is debited for the discount, on the other side of the Cash Book. See Cash Book, pages 152–3. [8] Mdse. account is credited with the footing of the Mdse. column in the Cash Book, whenever the Cash Book is balanced. [9] The cash should be proved every day in pencil, but the Cash Book need not be balanced oftener than once each week.

[10] The Journal contains only entries that cannot properly be made in the other books.

[11] The Hands Register contains the weekly earnings of, and payments to, all employees. A column is ruled at the extreme left of the left hand page for the names of the hands, and the remainder of the page is divided into as many double money columns, Dr. and Cr., as the size of the book will permit, similar to the Continued Trial Balance. The employees' time is "made up" from the Foreman's time-book, and the amount due each is entered in the first vacant Cr. Column opposite his name. When they have been paid, the amount each has received is placed in the first Dr. column opposite his name, thus balancing the column. The footing of the H. R. is entered to Labor account on the right hand side of the Cash Book.

In this set the entire investment is credited to Stock, as explained in the note at the bottom of page 44.

QUESTIONS FOR REVIEW.

Page 126.—[1] What is this set designed to illustrate? [2] What advantages are derived from the methods illustrated, and how obtained? [3] For what purpose might it be necessary to change the forms of books as here used, and how could the change be made?

Page 127.—[4] What is the peculiar feature of the Journal as used in this set? [5] In what way is the combination of the two books effected? [6] Explain the use of the extra column. [7] How is it posted? [8] How are the items in the Sundries column posted? [9] What disposition is made of the Invoices? [10-11] If pasted in an Invoice Book, how may this book be used? [12] Explain the use of the Sales book. [13] What disposition is made of the net amount of each sale? [14] What course is pursued with the last column? [15] How posted? [16] How may an additional advantage be secured from the Sales Book? [17] Explain the use of the Check Book. [18] Is it necessary to open a bank account in the Ledger? [19] What entry is made for a deposit? [20] How does this debit the bank? [21] What entry is made when a check is drawn? [22] How does this credit the bank? [23] Is an entry to be made in the Cash Book when cash is deposited? [24] Why not? [25] When checks are drawn upon the bank, in what other book beside the Check Book is the entry made? Why? [26] Explain the use of the Cash Book. [27] How arranged? [28] For what purpose? [29] How are the special columns posted? [30] How are the items in the Sundries columns posted? [31] How is the cash posted? [32] How posted if the balance of cash is less than at the last posting? [33] How if more? [34] How is the total debit of cash found? [35] The total credit? [36] What will the difference show? [37] How is the cash on hand found? [38] How is the Bill Book to be kept in this set? [39] Can it be kept as a principal book? Why is it not usually so kept? [40] What name is given to the trial balance used in this set? [41] What advantage is derived from its use? [42] Describe a convenient form for a Ledger Index. [43] When the number of accounts is large, what form of Index is generally used?

Page 141.—[44] How frequently is the cash proved in business? [45] How may it be proved without closing the Cash Book? [46] How is the interest account between the partners adjusted? [47] When the original investments are equal why is it unnecessary to compute interest upon them?

NOTE.—Should the teacher consider it desirable the student may be required to draw up all of the papers and forms in the foregoing memoranda. In the absence of an actual business department especially, it would be best to make such a requirement.

Excellent drill for the student could also be secured by requiring him to continue the foregoing business for ten or twenty days longer, *originating his own transactions*. if this plan were pursued, an amount would have to be assumed for a Mdse. inventory at the time of closing the books.

RETAILER'S BOOKS,

(DOUBLE ENTRY,)

DESIGNED FOR RETAIL GROCERIES, MARKETS, SHOPS, ETC.

[1] The following arrangement of books and records is designed to illustrate a popular system of book-keeping for a retail business. While it does not strictly conform to the principles of Double Entry book-keeping, inasmuch as the Merchandise account is not made to show all of the purchases and sales, yet the final results are just as accurate, and are obtained at a great saving of time and labor.

[2] The books required are an Order Book, Cash Book, Journal, Personal Ledger and Ledger. The Order Book and Personal Ledger are used as auxiliary books; the others as principal.

The [3] Order Book is a cheap, coarse book, made usually with a page about twelve inches long and five inches wide, and lies upon the counter. In it are entered the orders as they are received during the day. [4] Goods to be delivered, that are paid for when ordered, are entered regularly in the Order Book, and the word "Paid" written across the order. [5] If not paid, the items are entered in the purchaser's account in the Personal Ledger at the close of the day's business.

[6] The Cash Book does not differ from the form already illustrated, and is used as a principal book. It need not be closed oftener than once a week, or once a month The first column on the debit side is devoted to cash sales of Mdse.

[7] The Journal contains all entries excepting those made in the Cash Book. [8] The Journal may be dispensed with by using the Cash Book as illustrated in the Cash Method, on pages 110–111.

[9] The Personal Ledger contains accounts with customers only, and is entirely an auxiliary book. [10] Sales on account are regarded as merchandise on hand until the accounts are paid, at which time Merchandise is credited with such payments. [11] The ordinary Journal ruling is considered preferable for a Personal Ledger of this character, as it affords more room for items. [12] All statements may be made out from the Personal Ledger without referring to any other book.

[13] The Ledger is used as in any other business.

The student will be expected to post and take a Trial Balance at the end of the first week, and close the Ledger at the end of the second week. [14] The accounts in the Personal Ledger will have to be included in the inventory in closing the Merchandise account. [15] No Bank account will be kept in the Ledger. [16] The Cash Book will exhibit all cash in bank and on hand, as illustrated in the Wholesale Business on page 131. [17] You will credit Cash when a check is given, and make no entry for deposits, except in the Check Book.

Mrs J. H. Smith 18 Brown St.

188-						
Nov	1	1 lb J Tea 50, 10 lb G Sug 105, 1 gal N.O. Mol 45	2			
	2	5 bu Potatoes 300, 3 doz Eggs 54, 5 lb Butter 125	4	79		
			6	79		
	3	Cash			5	
		5 plb Chicken 66, 10 B Sug 90, 5 Mackl 40	1	96		
	5	3 " Crackers 30, 1 Lemon Ex 20		50		
		1 pkg Pepper 25, 2 gal K. Oil 30		55		
		3 C. Fish 24, 10 A. C. Sug 100	1	24		
			11	04		
		Cash			5	
					10	
	8	1 pk S. Potatoes 50, 10 lb bag Salt 20		70		
		1 W. Tub 50, 1 bbl Apples 200	2	80		
	8	Cash			4	54
			14	54	14	54
	9	10 lb G. Sug 105, 4 Chicken 40, 2 qt Oysters 60	2	13		
	11	1 bbl N.P. Flour 875, 2 R. Coffee 64	9	39		
			11	52		
	12	Cash			10	

JOHN WILSON, 119 Fourth Street.

188-						
Nov.	1	10 lbs. A. C. Sugar, 95; 4½ C. Fish, 36	1	31		
		2 J. Coffee, 70; 5 gal. K. Oil, 75	1	45		
	3	Cash,	2	76	2	76
	4	4 lbs. Crackers, 40; 4 bu. Potatoes, 240	2	80		
		1 bag Salt, 20; 3 Raisins, 36		56		
	6	1 box Starch, 40; 2 cans Oysters, 60	1			
		1 bbl. Apples, 200; 1 cake Chocolate, 35	2	35		
			6	71		
	8	Cash,			5	
	12	2 bas. Peaches, 240; 10 B. Sugar, 95; 1 pk. S. Potatoes, 60	3	95		

W. L. WOOD, 26 State Street.

188-						
Nov.	1	3 doz. Eggs, 60; 10 lbs. B. Sugar, 90	1	50		
		5 bu. E. R. Potatoes, 300; 2 W. Pails, 40	3	40		
	2	10 lbs. Butter, 250; 5 Chicken, 60; 10 A. C. Sugar, 95	4	05		
	4	10 G. Sugar, 105; 5 K. Oil, 75; 5 C. Fish, 40; 3 lbs. Crackers, 30	2	50		
			11	45		
	5	Cash,			10	
	8	1 box Soap, 415; 1 pk. S. Potatoes, 50; 3 doz. Eggs, 60	5	25		
	11	2 J. Coffee, 70; 1 lb. J. Tea, 50; 1 N. P. Flour, 875	9	95		
			26	65		
	13	Cash,			10	
					20	

ORDER BOOK.

NOVEMBER 1, 188–.

Mrs. J. H. Smith, 18 Brown St.				
1 lb. Jap. Tea,		.50		
10 " Gran. Sugar,	10½,	1.05		
1 gal. N. O. Molasses,		.45		
			2	
W. L. Wood, 26 State St.				
3 doz. Eggs,	20,	.60		
10 lbs. B. Sugar,	9,	.90		
5 bu. E. R. Potatoes,	60,	3.00		
2 W. Pails,	20,	.40		
			4	90
John Wilson, 119 Fourth St.				
10 lbs. A. C. Sugar,	9½,	.95		
4½ " C. Fish,	8,	.36		
2 " J. Coffee,	35,	.70		
5 gal. K. Oil,	15,	.75		
			2	76
A. C. Davis, 126 Tremont St.				
15 lbs. G. Sugar,	10½,	1.58		
10 " B. "	9,	.90		
5 bu. Potatoes,	60,	3.		
5 lbs. L. Raisins,	13,	.65		
			6	13
B. J. Brown, 38 St. Paul St.				
1 lb. Y. H. Tea,		.48		
15 lbs. A. C. Sugar,	9½,	1.43		
5 " C. Fish,	8,	.40		
1 gal. S. H. Syrup,		.68		
			2	99
F. G. Ransom, 98 Spring St.				
10 lbs. A. C. Sugar,	9½,	.95		
5 bu. Potatoes,	60,	3.		
1 lb. Jap. Tea,		.50		
2 lbs. J. Coffee,	35,	.70		
			5	15
NOVEMBER 2, 188–.				
W. L. Wood, 26 State St.				
10 lbs. Butter,	25,	2.50		
5 " Chicken,	12,	.60		
10 " A. C. Sugar,	9½,	.95		
			4	05
Mrs. J. H. Smith, 18 Brown St.				
5 bu. Potatoes,	60,	3.		
3 doz. Eggs,	18,	.54		
5 lbs. Butter,	25,	1.25		
			4	79
D. Lucas, 10 Jones St.				
10 lbs. B. Sugar,	9,	.90		
5 bu. Potatoes,	60,	3.		
10 lbs. Butter,	25,	2.50		
			6	40
A. C. Davis, 126 Tremont St.				
10 lbs. Butter,	25,	2.50		
10 " A. C. Sugar,	9½,	.95		
1 " Jap. Tea,		.50		
			3	95
NOVEMBER 3, 188–.				
F. G. Ransom, 98 Spring St.				
10 lbs. Butter,	25,	2.50		
5 " Chicken,	12,	.60		
1 gal. K. Oil,		.15		
			3	25

ORDER BOOK.

NOVEMBER 3, 188–.

Mrs. J. H. Smith, 18 Brown St.				
5½ lbs. Chicken,	12,	.66		
10 " B. Sugar,	9,	.90		
5 " Mackerel,	8,	.40		
			1	96
D. Lucas, 10 Jones St.				
6 lbs. Chicken,	12,	.72		
5 doz. Eggs,	18,	.90		
2 Brooms,	25,	.50		
2 W. Pails,	25,	.50		
			2	62
B. J. Brown, 38 St. Paul St.				
1 Broom,		.25		
6 lbs. Chicken,	12,	.72		
10 " Gran. Sugar,	10½,	1.05		
			2	02
NOVEMBER 4, 188–.				
W. L. Wood, 26 State St.				
10 lbs. Gran. Sugar,	10½,	1.05		
5 gals. K. Oil,	15,	.75		
5 lbs. C. Fish,	8,	.40		
3 " Crackers,	10,	.30		
			2	50
John Wilson, 119 Fourth St.				
4 lbs. Crackers,	10,	.40		
4 bu. Potatoes,	60,	2.40		
1 bag Salt, 10 lbs.,		.20		
3 lbs. Raisins,	12,	.36		
			3	36
A. C. Davis, 126 Tremont St.				
1 box Pepper,		.25		
1 Ex. Lemon,		.20		
5 K. Oil,	15,	.75		
3½ lbs. Chicken,	12,	.42		
			1	62
D. Lucas, 10 Jones St.				
3 lbs. Crackers,	10,	.30		
2 " J. Coffee,	35,	.70		
2 gals. K. Oil,	15,	.30		
10 lbs. G. Sugar,	10½,	1.05		
			2	35
NOVEMBER 5, 188–.				
Mrs. J. H. Smith, 18 Brown St.				
3 lbs. Crackers,	10,	.30		
1 Lem. Extract,		.20		
1 box Pepper,		.25		
2 gals. K. Oil,	15,	.30		
3 lbs. C. Fish,	8,	.24		
10 " A. C. Sugar,	10,	1.		
			2	29
B. J. Brown, 38 St. Paul St.				
5 bu. Potatoes,	60,	3.		
3 lbs. J. Coffee,	35,	1.05		
5 " Butter,	25,	1.25		
			5	30
F. G. Ransom, 98 Spring St.				
1 box Pepper,		.25		
10 lbs. G. Sugar,	10½,	1.05		
2 Brooms,	25,	.50		
2 W. Pails,	20,	.40		
			2	20

CASH BOOK.

NOVEMBER, 188–.

Nov.	1	Student,	Investment,			2500	
	"	Mdse.	Cash sales,	28	45		
	2	"	" "	27	90		
	3	"	" "	48	90		
	4	"	" "	92	32		
	5	"	" "	9[illegible]	25		
	6	"	" "	105	95		
						395	77
						2895	77
Nov.	7	Balance,				1623	75

JOURNAL.

NOVEMBER 1, 188–

		Mdse.		1087	50		
			To H. A. Brewster,			1087	50
			Invoice due in 10 days.				
			2.				
		Mdse.		327	50		
			To Geo. C. Buell & Co.			327	50
			Invoice due in 30 days.				
			3.				
		Student,		6	50		
			To Mdse.			6	50
			Private use.				
			5.				
		Mdse.		117	50		
			To Geo. C. Buell & Co.			117	50
			Invoice due in 30 days.				
			"				
		Mdse.		63	18		
			To H. A. Brewster & Co.			63	18
			Invoice due in 10 days.				
			6.				
		Student,		9	80		
			To Mdse.			9	80
			Private use.				

CASH BOOK.

NOVEMBER, 188–.

Nov.	1	Expense,	Iron Safe,	100			
	"	"	Horse, 125; Harness, 12,	137			
	"	"	Wagon,	60			
	"	"	P. Scales, 35; C. Scales, 26,	61			
	"	"	Office Books,	7			
	"	Mdse.	Invoice of S. P. & Co.	672	27		
	3	"	Vegetables, Poultry, etc.	39	84		
	"	Student,	Private use,	10			
	4	Mdse.	Vegetables, Poultry, etc.	36	24		
	"	"	Crackers, etc., J. Howe & Son,	38	92		
	"	Expense,	Hay, Oats, etc.	28	75		
	5	"	Insurance,	15			
	"	"	Horseshoeing,	2	50		
	6	"	Stuart & Co., Carpenter Work,	26	50		
	"	Student,	Private use,	15			
	"	Expense,	J. Dunn, 10; R. H. King, 12,	22			
	"					1272	02
		Balance,				1623	75
						2895	77

MEMORANDA OF TRANSACTIONS.

NOVEMBER 1, 188–.

I have commenced a Retail Grocery and Provision Business this day, in the store No. 294 Main Street, leased of J. A. Reed for five years, at $600.00 per year.

Appropriated as capital 2500.00, as shown by a pass book containing a credit to my account at First National Bank. (*C. B., pages 146–147.*)

At the close of the first day's business I find upon the desk memoranda of business transacted, as follows:

Receipted bills for an Iron Safe, 100.00; Horse, 125.00; Harness, 12.00; Wagon, 60.00; Platform Scales, 35.00; Counter Scales, 26.00; and Office Books, 7.00; purchased by check. (*C. B.*)

An invoice of Groceries, Wooden Ware, etc., purchased of Smith, Perkins & Co., City, amounting to 725.80. The terms of purchase are 6 months, or 5 and 2½ off for cash. Paid by check. (*C. B.*)

An invoice of Groceries, Provisions, Canned Goods, etc., purchased of H. A. Brewster & Co., City amounting to 1087.50. Terms, 10 days. (*J., page 146.*)

NOTE.—In a business of this character considerable merchandise in the form of fruit, vegetables, etc., is daily purchased of gardeners, and paid for out of the cash drawer. In such case no entry is necessary, as the merchandise purchased replaces other goods sold, for which this cash was received.

An exchange of goods from the store for fruit, vegetables, etc., a balance being paid or received in cash, is also a common transaction, and requires no entry, for the reason indicated above. A balance received would increase the drawer cash and be entered as a sale at the end of the day, and a balance paid would reduce the amount of drawer sales, in effect showing a purchase of goods.

The following charges are found on the Order Book: Mrs. J. H. Smith, 18 Brown St., 1 lb. Japan Tea, 50c.; 10 lbs. Gran. Sugar, @ 10½c.; 1 gal. N. O. Molasses, 45c. W. L. Wood, 26 State St., 3 doz. Eggs, @ 20c.; 10 lbs. B. Sugar, @ 9c.; 5 bu. E. R. Potatoes, @ 60c.; 2 W. Pails, @ 20c. John Wilson, 119 Fourth St., 10 lbs. A. C. Sugar, @ 9½c.; 4½ lbs. C. Fish, @ 8c.; 2 lbs. Java Coffee, @ 35c.; 5 gals. K. Oil, @ 15c. A. C. Davis, 126 Tremont St., 15 lbs. Gran. Sugar, @ 10½c.; 10 lbs. B. Sugar, @ 9c.; 5 bu. Potatoes, @ 60c.; 5 lbs. L. Raisins, @ 13c. B. J. Brown, 38 St. Paul St., 1 lb. Y. H. Tea, 48c.; 15 lbs. A. C. Sugar, @ 9½c.; 5 lbs. C. Fish, @ 8c.; 1 gal. S. H. Syrup, 68c. F. G. Ransom, 98 Spring St., 10 lbs. A. C. Sugar, @ 9½c.; 5 bu. Potatoes, @ 60c.; 1 lb. Jap. Tea, 50c.; 2 lbs. Java Coffee, @ 35c. (*O. B. and P. L., pages 144 and 145.*)

NOTE.—Give each account in the Personal Ledger a whole page.

Cash sales, shown by cash in drawer, 28.45. (*C. B.*)

NOVEMBER 2, 188–.

At the close of this day's business I find the following memoranda upon the desk:

Invoice of Provisions, Wooden Ware, etc., bought of Geo. C. Buell & Co., at 30 days, amounting to 327.50. (*J.*)

I also find upon the Order Book the following: W. L. Wood, 26 State St., 10 lbs. Butter, @ 25c.; 5 lbs. Chickens, @ 12c.; 10 lbs. A. C. Sugar, @ 9½c. Mrs. J. H. Smith, 18 Brown St., 5 bu. Potatoes, @ 60c.; 3 doz. Eggs, @ 18c.; 5 lbs. Butter, @ 25c. D. Lucas, 10 Jones St., 10 lbs. B. Sugar, @ 9c.; 5 bu. Potatoes, @ 60c.; 10 lbs. Butter, @ 25c. A. C. Davis, 126 Tremont St., 10 lbs. Butter, @ 25c.; 10 lbs. A. C. Sugar, @ 9½c.; 1 lb. Jap. Tea, 50c. (*O. B. and P. L.*)

Cash sales for the day, 27.90. (*C. B.*)

NOVEMBER 3, 188–.

At the close of business this day I find the following memoranda upon the desk:

Slip on a spindle showing that I have purchased Vegetables, Poultry, Butter, etc., of a farmer, by check, to the amount of 39.84. (*C. B.*)

NOTE.—An entry should be made of this transaction, as omitting it would cause a deficiency in cash. Only such merchandise as is paid for out of the drawer with the proceeds of current sales should be omitted.

The following orders are found upon the Order Book: F. G. Ransom, 98 Spring St., 10 lbs. Butter, @ 25c.; 5 lbs. Chickens, @ 12c.; 1 gal. K. Oil, 15c. Mrs. J. H. Smith, 18 Brown St., 5½ lbs. Chickens, @ 12c.; 10 lbs. B. Sugar, @ 9c.; 5 lbs. Mackerel, @ 8c. D. Lucas, 10 Jones St., 6 lbs. Chickens, @ 12c.; 5 doz. Eggs, @ 18c.; 2 Brooms, @ 25c.; 2 W. Pails, @ 25c. B. J. Brown, 38 St. Paul St., 1 Broom, 25c.; 6 lbs. Chickens, @ 12c.; 10 lbs. G. Sugar, @ 10½c. (*O. B. and P. L.*)

The cash sales for the day have been 48.90, which includes amounts paid in on account by Mrs. J. H. Smith, 5.00; John Wilson, to balance a/c, 2.76; and A. C. Davis, 5.00. (*C. B. and P. L.*)

NOTE.—Foot Wilson's account and rule it up. See Mrs. J. H. Smith's account, page 144.

I have appropriated 10.00 cash, and goods from the store amounting to 6.50, to my private use. (*C. B. and J.*)

NOVEMBER 4, 188–.

The following memoranda was found upon the desk at the close of this day: A slip showing that I have bought Vegetables, Poultry, Butter, etc., of farmers, by checks, amounting to 36.24. An invoice of Crackers from J. Howe & Son, 38.92; paid by check. A bill of 28.75 for Hay, Oats and Straw, for horse; paid by check. (*C. B.*)

I find the following upon the Order Book: W. L. Wood, 26 State St., 10 lbs. G. Sugar, @ 10½c.; 5 gals. K. Oil, @ 15c.; 5 lbs. C. Fish, @ 8c.; 3 lbs. Crackers, @ 10c. John Wilson, 119 Fourth St., 4 lbs. Crackers, @ 10c.; 4 bu. Potatoes, @ 60c.; 1 bag Salt, 10 lbs., 20c.; 3 lbs. Raisins, @ 12c. A. C. Davis, 126 Tremont St., 1 box Pepper, 25c.; 1 Lemon Ext., 20c.; 5 gals. K. Oil, @ 15c.; 3½ lbs. Chicken, @ 12c. D. Lucas, 10 Jones St., 3 lbs. Crackers, @ 10c.; 2 lbs. J. Coffee, @ 35c.; 2 gals. K. Oil, @ 15c.; 10 lbs. G. Sugar, @ 10½c. (*O. B. and P. L.*)

Received payments from the following customers on a/c, shown by slips on a spindle: D. Lucas, 10.00; F. G. Ransom, in full, 8.40 (rule up his account); A. C. Davis, 6.00.

Cash sales for the day, 67.92, which, added to payments on a/c, make the entire credit to Mdse. for the day, 92.32. (*C. B. and P. L.*)

NOVEMBER 5, 188–

At the close of this day I find the following memoranda on the desk: Invoice of Groceries, from Geo. C. Buell & Co., 117.50; terms, 30 days. (*J.*) Invoice of Groceries, from H. A. Brewster & Co., 63.18; terms, 10 days. (*J.*) A Policy of Insurance on stock and fixtures of 1500.00; Premium, 1 %, paid by check. (*C. B.*) Receipted bill for Shoeing Horse, 2.50. (*C. B.*)

The following is found on the Order Book: Mrs. J. H. Smith, 18 Brown St., 3 lbs. Crackers, @ 10c.; 1 Lem. Ext., 20c.; 1 pkg. Pepper, 25c.; 2 gals. K. Oil, @ 15c.; 3 lbs. C. Fish, @ 8c.; 10 lbs. A. C. Sugar, @ 10c. B. J. Brown, 38 St. Paul St., 5 bu. Potatoes, @ 60c.; 3 lbs. J. Coffee, @ 35c.; 5 lbs. Butter, @ 25c. F. G. Ransom, 98 Spring St., 1 pkg. Pepper, 25c.; 10 lbs. Gran. Sugar, @

10½c.; 2 Brooms, @ 25c.; 2 W. Pails, @ 20c. P. J. Warner, 19 Wood St., 1 lb. Jap. Tea, 60c.; 10 lbs. G. Sugar, @ 10½c.; 1 gal. K. Oil, 15c.; 5 lbs. Crackers, @ 10c.; 5 bu. Potatoes, @ 60c. (*O. B. and P. L.*)

The following customers paid on %: Mrs. J. H. Smith, 5.00, and W. L. Wood, 10.00. Cash sales, per drawer, 77.25, with payments on % added make entire credit to Mdse. 92.25. (*C. B. and P. L.*)

NOVEMBER 6, 188–.

The following memoranda is found upon the desk at the close of this day's business: Receipted bill of Stuart & Co., for carpenter work on counters and bins, of 26.50; paid by check. (*C. B.*)

Slips in the cash drawer showing that I have appropriated 15.00 cash and 9.80 in goods from the store, and that I have paid J. Dunn and R. H. King, clerks, 10.00 and 12.00 respectively, for salaries for week. (*C. B. and J.*)

Cash sales, shown by cash and slips in drawer, 105.95.

I find the following unpaid orders upon the Order Book: John Wilson, 119 4th St., 1 box Starch, 6 lbs., 40c.; 2 cans Oysters, @ 30c.; 1 bbl. Apples, 2.00; 1 cake Chocolate, 35c. D. Lucas, 10 Jones St., ½ lb. Pepper, @ 30c., 15c.; 1 pk. Sweet Potatoes, 50c.; 5½ lbs. C. Fish, @ 8c. 1 Lem. Ext., 20c.; 1 10-lb. bag Salt, 20c. L. J. Seymour, 19 Beach St., 3 doz. Eggs, @ 18c.; 2 cans Oysters, @ 30c.; 4 lbs. Crackers, @ 10c.; 2 bu. Potatoes, @ 60c. F. Woodbury, 16 Locust St., 2 Brooms, @ 25c.; 3 bu. Potatoes, @ 60c.; 5½ lbs. Chicken, @ 12c.; 4 lbs. Crackers, @ 10c.; 1 bbl. Apples, 2.00. (*O. B. and P. L.*)

NOTE.—You will now close the Cash Book, post and take a Trial Balance. Give each account one-fourth of a page space. Balance of cash, as shown by Cash Book, 1623.75.

NOVEMBER 8, 188–.

The following memoranda appear upon the desk at the close of this day: Receipted bill for a ton of Coal for use of store, 5.75; paid by check. Bill of W. Moran for Stove, Coal Hod, etc., bought on %, 41.50. Invoice of goods bought of H. A. Brewster & Co., at 10 days, amounting to 217.50. Horse bought for use of store, by check, 85.00.

The following appear upon the Order Book: Mrs. J. H. Smith, 18 Brown St., 1 pk. S. Potatoes, 50c.; 1 10-lb. bag Salt, 20c.; 1 W. Tub, 80c.; 1 bbl. Apples, 2.00. W. L. Wood, 26 State St., 1 box Soap, 4.15; 1 pk. S. Potatoes, 50c.; 3 doz. Eggs, @ 20c. B. J. Brown, 38 St. Paul St., 5 lbs. L. Raisins, @ 13c.; 1 bbl. Apples, 2.00; 1 lb. Jap. Tea, 50c.; 1 Lem. Ext., 20c. A. C. Davis, 126 Tremont St., 1 W. Tub, 80c.; 10 lbs. A. C. Sugar, @ 10c.

The following amounts were paid on %: Mrs. J. H. Smith, in full, 4.54; John Wilson, 5.00; B. J. Brown, 10.00. Cash sales, including payments on %, 93.82.

NOVEMBER 9, 188–.

Paid for new Harness by check, 24.00. Paid cash for building Coal Bin, 2.00, and for Lumber for same, 1.75.

Order Book: D. Lucas, 10 Jones St., 3 doz. Eggs, @ 20c.; 10 lbs. B Sugar, @ 9c.; 1 box Soap, 4.15; 2 lbs. L. Raisins, @ 12c. P. J. Warner, 19 Wood St., 1 pk. S. Potatoes, 50c.; 1 W. Tub, 80c.; 10 lbs. B Sugar, @ 9c.; 6 lbs. Chickens, @ 12c.; 1 bbl. Apples, 2.00. L. J. Seymour, 19 Beach St., 1 bbl. N. C. Flour, 8.75; 1 pk. S. Potatoes, 50c.; 1 box Soap, 4.15. F. Woodbury, 16 Locust St., 3 lbs. L. Raisins, @ 13c.; 1 W. Tub., 80c.; 1 gal. N. O. Molasses, 45c.; 10 lbs. Gran. Sugar, @ 10½c. Mrs. J. H. Smith, 18 Brown St., 10 lbs. G. Sugar, @ 10½c.; 4 lbs. Chicken, @ 12c.; 2 cans Oysters, @ 30c.

Cash Sales, 93.18.

NOVEMBER, 10, 188–.

Drew 15.00 cash, for private use, and appropriated 14.60 in goods,

Order Book: F. G. Ransom, 98 Spring St., 1 box Soap, 4.15; 2 lbs. Coffee, @ 32c.; 1 W. Tub, 80c.; P. J. Warner, 19 Wood St., 1 Lem. Ext., 20c.; 10 lbs. A. C. Sugar, @ 10c.; 1 gal. N. O. Molasses, 45c.; 1 bbl. N. P. Flour, 8.75. B. J. Brown, 28 St. Paul St., 1 bbl. N. P. Flour, 8.75; 2 W. Pails, @ 20; 1 Basket, 18c. L. J. Seymour, 19 Beach St., 2 cans Oysters, @ 30c.; 1 Lem. Ext., 20c.; 4½ lbs. Chickens, @ 12c.; 10 lbs. G. Sugar, @ 10½c.

Payments on account, L. J. Seymour, 15.00; F. Woodbury, in full, 8.05; D. Lucas, 7.00; P. J. Warner, 20.00. Cash sales, including payments on account, 136.27.

NOVEMBER 11, 188–.

I find upon the desk the following: A receipted statement from H. A. Brewster & Co., of Invoice of 1st inst., paid by check, 1087.50.

Order Book: F. Woodbury, 16 Locust St., 1 bbl. N. P. Flour, 8.75; 1 pk. S. Potatoes, 50c.; 2 W. Pails, @ 20c. L. J. Seymour, 10 Beach St., 10 lbs. B. Sugar, @ 9½c.; 3 doz. Eggs, @ 20c.; 2 W. Tubs, @ 80c.; 1 bbl. Apples, 2.00. Mrs. J. H. Smith, 18 Brown St., 1 bbl. N. P. Flour, 8.75; 2 lbs. R. Coffee, @ 32c. W. L. Wood, 26 State St., 2 lbs. J. Coffee, @ 35c.; 1 lb. Jap. Tea, 50c.; 1 bbl. N. P. Flour, 8.75.

Payments on account, B. J. Brown, 10.00; F. G. Ransom, 5.00. Cash sales, including payments on accounts, 141.23.

NOVEMBER, 12, 188–.

Paid cash for graining counters and bins, 11.75. Bought Fruit, Poultry, &c., by check, 32.15.

Order Book: P. J. Warner, 19 Wood St., 1 bbl. Apples, 2.00; 1 basket Peaches, 1.50; 10 lbs. Concord Grapes, @ 4c.; 10 lbs. Gran. Sugar, @ 10½c. D. Lucas, 10 Jones St., 10 bu. Potatoes, @ 60c.; ½ bu. S. Potatoes, 1.20; 2 cans Oysters, @ 30c.; 4½ lbs. Chickeens, @ 12c. John Wilson, 119 4th St., 2 baskets Peaches, @ 1.20; 10 lbs. B. Sugar, @ 9½c.; 1 pk. S. Potatoes, 60c. A. C. Davis, 126 Tremont St., 5 lbs. Chickens, @ 12c.; 2 cans Oysters, @ 30c.; 2 lbs. Crackers, @ 12c.; 2 baskets Peaches, @ 1.20; 2 bu. Potatoes, @ 60c.

Payment on account, Mrs. J. H. Smith, 10.00. Cash Sales, including payment, 168.83.

NOVEMBER 13, 188–.

Paid cash for Horseshoeing, 2.50; clerks' salaries for week, 10.00 and 12.00; Letter Heads and Envelopes, 2.00; and Postage, 30c.

Order Book: A. C. Davis, 126 Tremont St., 1 bbl. N. P. Flour, 8.75; 1 pk. S. potatoes, 60c.; 4½ lbs. C. Fish, @ 8c. F. G. Ransom, 98 Spring St., 6 lbs. Mackerel, @ 6½c.; 2 cans Oysters, @ 30c.; 1 bbl. Apples, 2.00; 3 lbs. L. Raisins, @ 13c. John Mead, 163 Smith St., 1 bbl. N. P. Flour, 8.75; 4 bu. Potatoes, @ 60c.; 1 can Oysters, 30c.; 2 lbs. Java Coffee, @ 36c.; 1 lb. Japan Tea, 60c.; 1 box Soap, 4.15; 1 bbl. Apples, 2.00.

Payments on account, A. C. Davis, 10.00; W. L. Wood, 10.00; John Mead, 15.00; B. J. Brown, in full, 2.99. Cash sales, including payments, 163.19.

Having now conducted the business two weeks, I have determined to close the accounts showing gains and losses, and ascertain the result of the venture.

RESOURCE INVENTORIES.

NOTE.—Since the sales of merchandise on account are not credited to Mdse. account when made, it is apparent that the balance of all the accounts in the Personal Ledger should be included in the Inventory.

MERCHANDISE—in Store,	1640 85	
" Personal Ledger:—F. Woodbury, 9.65; L. J. Seymour, 8.68; Mrs. J. H. Smith, 1.52; W. L. Wood, 6.65; John Wilson, 5.66; A. C. Davis, 7.25; F. G. Ransom, 6.17; D. Lucas, 10.09; P. J. Warner, 5.57; John Mead, 3.92,	65 16	
		1706 01
EXPENSE—2 Horses, 310.00; 1 Wagon, 66.00; P. Scales, 35.00; C. Scales, 26.00; 2 Harnesses, 30.00; Hay, Oats, &c., 20.00,		487 00

LIABILITY INVENTORY.

EXPENSE—One-half Month's Rent unpaid, to be debited to Expense,	25 00

Net Gain, 100.30; Balance of Cash, 1128.57.

QUESTIONS FOR REVIEW.

Page 143.—[1] To what kind of business is this arrangement of books adapted? [2] What books are required? [3] Describe the Order Book. [4] How are goods marked in the Order Book that are paid for when purchased? [5] When are the entries in the Order Book posted? [6] Describe the Cash Book. [7] What does the Journal contain? [8] How may the Journal be dispensed with? [9] Describe the Personal Ledger. [10] How are sales on account regarded? [11] Why is the ordinary Journal ruling preferable for a Personal Ledger? [12] From what book will statements of customers' accounts be made? [13] How is the Ledger used? [14] How are the accounts in the Personal Ledger treated in closing the Ledger? [15] Why is no Bank account in the Ledger necessary? [16] What will the Cash Book exhibit if no Bank account is kept? [17] How are deposits and checks entered?

MANUFACTURING.

The following arrangement of books is similar in all essential particulars to that of one of the most extensive furniture manufacturing firms in America, and was selected on account of its exceeding simplicity and completeness.

[1] The books required are a Sales Book, Cash Book, Journal and Ledger as principal books, and a Hands Register and Bill Book as auxiliaries.

In an extensive business a book called a Tickler is sometimes kept to record the maturity of bills purchased on time on account. This book, as ordinarily used, contains columns for the date of the invoice, the purchaser's name, his address, the terms, the day of maturity, the amount and remarks. A number of pages are set aside for each month of the year, and all bills falling due in any month are entered in the space provided for that particular month.

[2] The Sales Book contains all sales on account, giving the articles, terms of sale and amounts. [3] The purchasers are debited direct from the Sales Book with the amount of each sale, [4] and Mdse. account is credited with the daily, weekly or monthly footing.

[5] The Cash Book does not vary from the ordinary form, excepting that the debit column on the left hand page is devoted to the cash sales of merchandise. [6] All "Regular" bills described in the Memoranda, have four months to run; but if the purchaser chooses to settle within thirty days, he is allowed a discount. [7] Instead of crediting the purchaser's account in the Cash Book with the net amount of cash received, and in the Journal with the discount, the purchaser is credited in the Cash Book for the entire amount of the settlement and Discount account is debited for the discount, on the other side of the Cash Book. See Cash Book, pages 152–3. [8] Mdse. account is credited with the footing of the Mdse. column in the Cash Book, whenever the Cash Book is balanced. [9] The cash should be proved every day in pencil, but the Cash Book need not be balanced oftener than once each week.

[10] The Journal contains only entries that cannot properly be made in the other books.

[11] The Hands Register contains the weekly earnings of, and payments to, all employees. A column is ruled at the extreme left of the left hand page for the names of the hands, and the remainder of the page is divided into as many double money columns, Dr. and Cr., as the size of the book will permit, similar to the Continued Trial Balance. The employees' time is "made up" from the Foreman's time-book, and the amount due each is entered in the first vacant Cr. Column opposite his name. When they have been paid, the amount each has received is placed in the first Dr. column opposite his name, thus balancing the column. The footing of the H. R. is entered to Labor account on the right hand side of the Cash Book.

In this set the entire investment is credited to Stock, as explained in the note at the bottom of page 44.

CASH BOOK.

DECEMBER, 188–.

DATE.		Folio.			MDSE.		SUNDRIES.	
Dec.	1	50	Stock,	Cash in Safe,			211	14
				Bill to J. Smith, Chamber Suit,	36			
				" Mrs. Wood, Pat. Rocker,	22			
				" W. Brown, Parlor Suit,	144			
	2	51	C. A. Graves,	Reg. bill of Nov. 3, less disct.	202		1436	85
				Bill to B. Jones, Pat. Rocker,	22			
				Wal't H. Rack,	28			
				Bunch of Cane,		80		
					252	80		

JOURNAL.

DECEMBER 1, 188–.

Folio.				
	Resources of C. J. Huntington & Co.			
	Sundries,	To Stock,		148137 12
	Real Estate,		42000	
		Manufactory, 18000; Warehouse, 24000.		
	Merchandise,		78950	
		Manufactured, 47,500; Lumber, 28,000; Hardware, 1400; Fabrics, etc., 1700; Varnishes, Oils, etc., 350.		
	Machinery and Tools,		9000	
	Office Fixtures,	Safe, Desks, etc.	850	
	First National Bank,	On deposit,	4486 84	
	Bills Receivable,		3987 65	
		J. L. Brown's note, with int. per B. B., 865.		
		S. H. Parker's " " " 950.		
		D. M. Willard's " " " 1744.50		
		J. B. Andrews' " " " 428.15		
	Interest,	On above notes to date,	39 79	
	C. A. Graves,	Bill of Nov. 3, R.	1436 85	
	E. S. Smith,	" " 5, "	1153 85	
	E. S. Smith,	" " 5, Net.	217 43	

NOTE.—You will complete this entry and continue the Journal entries as illustrated above.

HANDS REGISTER.

	DECEMBER 6.				DECEMBER 13.				DECEMBER 20.			
	DR.		CR.		DR.		CR.		DR.		CR.	
Neir,	10	50	10	50								
Brown,	11	75	11	75								
Wilson, J.	12	80	12	80								
Wilson, D.	6	50	6	50								
Meyer,	16	90	16	90								
Johnson,	5		5									
Lyman,	8	30	8	30								
Mosier,	14	50	14	50								
Thayer,	14	50	14	50								
Pease,	12	25	12	25								
Bartlett, Foreman,	25		25									
Hyatt, Book-keeper,	30		30									
Morey, Ass't Book-keeper,	8		8									
Hackett, Salesman,	18		18									
Pomeroy, "	20		20									
	214		214									

CASH BOOK.

DECEMBER, 188–.

DATE.		Folio.			SUNDRIES.		TOTAL.	
Dec.	2	53	Discount,	C. A. Graves, 5 % on 1436.85,	71	84		
	"	54	Mdse.	3500 ft. Wal't, @ 70,	245			

NOTE.—Continue the entries in the Cash Book as here illustrated.

SALES BOOK.

DECEMBER 1, 188–.

Folio.					
	Holdridge & Gray, Medina.				
	1 No. 33 Wal't Bed,	R.	10	50	
	1 No. 33 " Wood Top Dresser,	"	17		
	2 " Towel Racks,	"	1	65	29 15
	2 No. 80 Chairs,	Net.		92	
	12 No. 49½ "	"	15		
	12 No. 57 "	"	9		24 92
	John H. King, City.				
	6 No. 36 Chairs, Maple,	Net.			10 80
	Geo. C. Lyon, Fair Haven.				
	3 Best S. B. Beds,	Net.	6	30	
	3 High H. D. Cott,	"	7	65	
	3 Low do.	"	7	20	
	1 Imp. Congress Chair,	"	2	85	
	24 No. 72 Light Chair,	"	11		
	12 No. 72 Dark "	"	5	50	
	4 No. 61 "	"	1	92	42 42

LEDGER.

C. A. GRAVES, Brockport.

188–						188–				
Nov.	3	J.	R.	1436	85	Dec.	2	C. B., 5 % off,	1436	85
Dec.	3	S. B.	"	54	50					
	"	"	Net.	3	08					
	5	"	"	19	35					

E. S. SMITH, North Wilson.

188–						188–				
Nov.	5	J.	R.	1153	85	Dec.	4	C. B., 5 % off,	1371	28
	5	"	Net.	217	43					

WARREN & FRANCIS, Jamestown

188–						188–				
Nov.	7	J.	Net.	216	40	Dec.	6	C. B.	216	40
Dec.	3	S. B.	R.	12	50					
	"	"	Net.	13	50					
	5	"	R.	48						
	"	"	Net.	34						

DECEMBER 1, 188–.

Resources of C. J. Huntington & Co., Furniture Manufacturers:

REAL ESTATE: Manufactory, 18000.00; Warehouse, 24000.00. Total, 42000.00. (*J.*)

MERCHANDISE: Manufactured, 47500.00; Lumber, 28000.00; Hardware, 1400.00; Fabrics, &c., 1700.00; Varnishes, Oil &c., 350.00. Total, 78950.00. (*J.*)

Machinery and Tools, 9000.00. (*J.*) Office Fixtures, Desks &c., 850.00. (*J.*) First National Bank, on deposit, 4486.84. (*J. The Bank account is here kept in the Ledger, but may be kept in the Check Book if preferred.*) Cash in Safe, 211.14. (*C. B.*)

BILLS RECEIVABLE: Note of J. L. Brown, Tonawanda, at 3 mos. from Sept. 1st, with interest, 865.00. Note of S. H. Parker, Great Bend, at 3 mos. from Sept. 6th, with interest, 950.00, Note of D. M. Willard, Grand Haven, at 2 mos. from Oct. 19th, with interest, 1744.50. Note of J. B. Andrews, Salem, at 3 mos. from Nov. 15th, with interest, 428.15. Total, 3987.65. (*J. and B. B.*) Interest accrued on above notes, 39.79. (*J.*)

PERSONAL ACCOUNTS (*See Note below*): C. A. Graves, Brockport, Mdse. bought on Regular terms, Nov. 3, 1436.85. E. S. Smith, North Wilson, Mdse. bought Nov. 5. Regular, 1153.85; Net, 217.43. Warren & Francis, Jamestown, Mdse. bought Nov. 7; Net, 216.40. John. H. King, City, Mdse. bought Nov. 10; R., 184.30; Net, 195.10. Covert Bros., Oxford, Mdse. bought Nov. 13; R., 1423.00. Geo. C. Lyon, Fair Haven, Mdse. bought Nov. 16; R., 83.18; Net, 41.12. Holdridge & Gray, Medina, Mdse. bought Nov. 19; R., 234.50; Net, 1117.95. W. J. Thompson, Barclay, Mdse. bought Nov. 21; R., 1143.25; Net, 73.11. Daniel Paine, Bridgeport, Mdse. bought Nov. 23; R., 118.45; Net, 61.17. J. H. Arnold, Geneva, Mdse. bought Nov. 25; Net, 1123.18. (*J.*)

NOTE.—All goods are sold for Cash, Net Cash, or on "Regular" Terms. When sold for cash no entry is made excepting in the Cash Book, and that at the close of the day. If thought best, such sales may be described. See C. B., page 152. Such cash receipts should agree with the Salesman's memoranda. When sold for Net Cash, the goods are entered in the Sales Book with the word "Net" after each item, and the aggregate is posted to the debit of the purchaser's account in the Ledger. Mdse. account should be credited with the daily, weekly or monthly footing of the Sales Book. When sold for "Net Cash" it is understood the bill is to be paid within 30 days. The terms are indicated by "Net" in the Sales Book. At the expiration of the time the bill has to run it will be subject to draft at sight. When goods are sold on "Regular terms," they are entered in the Sales Book and posted precisely as when sold for "Net Cash," excepting that the initial letter "R" is written after each item. Bills sold on "Regular" terms have four months to run, and if paid within 30 days are subject to a discount of 5 per cent. If allowed to run beyond the four months they are subject to draft at sight. The terms on which bills are sold should be indicated in the Ledger as well as in the Sales Book. See accounts given on page 153, for illustration.

Sold Holdridge & Gray, Medina, 1 No. 33 Wal't Bed, 10.50; 1 No. 33 Wal't Wood Top Dresser, 17.00; 1 No. 2 Wal't Towel Rack, 1.65, Regular. 2 No. 80 Chairs, 92c.; 12 No. 49½ Chairs, 15.00 12 No. 57 Ch., 9.00, Net. (*See Sales Book, page 153.*)

John H. King, City, 6 No. 36 Maple Chairs, 10.80, Net. (*S. B.*)

Geo. C. Lyon, Fair Haven, 3 Best Side-Board Beds, 6.30; 3 High H. D. Cots, 7.65; 3 Low do., 7.20; 1 Imp. Cong. Ch., 2.85; 24 No. 72 Light Ch., 11.00; 12 No. 72 Dark Ch., 5.50; 4 No. 61 Ch., 1.92, Net. (*S. B.*)

Cash sales, J. Smith, C. Suit, 36.00. Mrs. Wood, Pat. Rocker, 22.00. W. Brown, Parlor Suit, 144. (*C. B., see page 152.*)

DECEMBER 2, 188–

Sold Daniel Paine, Bridgeport, 6 No. 25 Ch., 7.20; 12 No. 72 Ch. Sing. Round Light, 5.25; 6 No. 57 Ch., 4.50, Net. (*S. B.*)

Covert Bros., Oxford, 1 No. 33 Wal't Wood Top Suit, 34.75; 1 Tete in Jute, 22.00; 1 Ford Rocker, 11.00, Regular. 1 Arm Chair, 5.00, Net. (*S. B.*)

J. H. Arnold, Geneva, 2 No. 4 Soft Wood Beds, 6.50; 2 No. 25½ Ch., 8.00; 2 No. 24 Ash and Wal't Beds, 9.00; 18 No. 57 Chairs in White (unfinished), 27.00; 3 No. 33 Ash and Wal't Beds, 18.00; 4 No. 309 Ch., 4.00, Net. (*S. B.*)

Received check from C. A. Graves for the amount of his bill of Nov. 3, 1436.85, less the regular discount, 5%. (*C. B.*)

Bought, for cash, 3500 ft. Wal't Lumber, @ 70.00 per M. (*C. B.*)

Cash Sales: B. Jones, 1 Pat. Rocker, 22.00. 1 Wal't Hat Rack, 28.00; Bunch of Cane, 80c. (*C. B.*)

DECEMBER 3, 188–.

Sold C. A. Graves, Brockport, 2 No. 42 Ash Beds, 18.00; 2 No. 42 Ash Dressers, 31.00; 1 No. 42 Ash W. Stand, 5.50, Regular; and 2 No. 83 Ch., 3.08, Net. (*S. B.*)

Sold W. J. Thompson, Barclay, 6 No. 6 Maple Ch. in the White, 10.80; 4 No. 38 do.. 4.80, Net. (*S. B.*)

Sold Warren & Francis, Jamestown, 6 Lounges, White, 7.50; 4 14 × 24 Glasses, 5.00, Regular. 24 No. 57 Ch., 13.50, Net. (*S. B.*)

Holdridge & Gray, Medina, Repairing Bed and Bureau, 8.00; 1 Hair Soft Mattress, 4.50, Regular. (*S. B.*)

Cash sales: Mrs. W. Price, Ash Dining Table and 6 No. 33 Ch., 26.00; 1 Wal't Washstand, 4.00 (*C. B.*)

DECEMBER 4, 188–.

Sold John H. King, City, 24 No. 87 Ch., 13.00; 36 No. 89 Ch. Dark, 19.50; 12 No. 89 Light, 18.00, Net. (*S. B.*)

Sold Geo. C. Lyon, Fairhaven, 4 Lounges, White, 5.00; 1 No. 42 Ash and Wal't Suit, 21.25, Regular. 2 No. 42 Ch., Light, 4.68, Net. (*S. B.*)

J. L. Brown paid his note of 865.00, and interest, due to-day.

E. S. Smith pays his bill of Nov. 5th, 1371.28, less discount, 5% on the Regular portion of it. (*C. B.*)

Cash sales: 1 Cong. Office Chair, 18.00; 1 Office Desk, 45.00. (*C. B.*)

DECEMBER 5, 188–.

Sold C. A. Graves, Brockport, 2 No. 48 Oak Ch., 2.60; 24 No. 89 Ch., 13.00; 1 Wal't Cor. Stand, 3.75, Net. (*S. B.*)

Sold Warren & Francis, Jamestown, 1 No. 33 Wal't Wood Top Suit, 36.00; 6 Com. S. B. Beds, 12.00, Regular. 2 No. 33 Wal't W. T. Dressers, 34.00, Net. (*S. B.*)

Sold W. J. Thompson, Barclay, 1 No. 33 Wal't W. T. Suit, 36.00; 1 No. 33 Wal't W. T. Washstand, 7.50, Regular. 24 No. 87 Ch., 13.00, Net. (*S. B.*)

Cash Sales: John Wagner, 1 W. T. Suit, 36.00; 1 Ash Din. Table, 18.00. (*C. B.*)

Bought Damask, Jute, &c. of A. S. Mann & Co., by check, 118.44; Invoice filed. (*J.*)

Deposited 2500.00. (*C. B.*)

DECEMBER 6, 188–.

Sold Covert Bros., Oxford, 2 No. 33 Wal't W. T. Suits, 69.50, Regular. 6 No. 59 Ch., 12.00, Net. (*S. B.*)

J. H. Arnold, Geneva, 1 No. 2 Couch in Carpet, 9.00; 6 Lounges, White, 12.90, Reg. 12 No. D. R. Ch., White, 4.35, Net. (*S. B.*)

Daniel Paine, Bridgeport, 2 No. 42 Ash Beds, 18.00; 2 No. 42 Ash Dressers, 31.00; 1 No. 42 W. Stand, 5.50, Reg. 6 No. 83 Ch., 9.00, Net. (*S. B.*)

Cash Sales: Parlor Suit, Wal't, 72.00; Chamber Suit, Wal't, 55.00. (*C. B.*)

Warren & Francis pay their net bill of Nov. 7, by check, 216.40. (*C. B.*)

The Foreman in the Cabinet Shop has handed in the time of, and amount due to the following hands: Nier, 10.50; Brown, 11.75; J. Wilson, 12.80; D. Wilson, 6.50; Meyer, 16.90; Johnson, 5.00; Lyman, 8.30; Mosier, 14.50. Thayer, 14.50; Pease 12.25; Bartlett, foreman, 25.00. From the Warehouse are added Hyatt, Book-keeper, 30.00; Mory, Ass't Book-keeper, 8.00; Hacket, Salesman, 18.00; Pomeroy, Salesman, 20.00. (*Credit Col. H. R. See form, page 152.*)

NOTE.—The pupil will rule a sheet for a Hands Register similar to the form given on page 152.

Paid in full all whose names appear on the Hands Register, in cash. (*Debit Col. H. R. and C. B.*)

Balance Cash Book and bring down balance. Cash on hand, 1552.35. Post Journal, Sales Book and Cash Book, and take a Trial Balance. Give each account one-fourth of a page space. In posting the Personal Accounts, enter the terms given in the Memoranda. See Ledger form on page 153.

DECEMBER 8, 188–

Sold Geo. C. Lyon, Fair Haven, 2 No. 33 Wal't W. T. Dressers, 34.00; 2 No. 33 Wal't W. T. W. Stands, 15.00, Reg.

Holdridge & Gray, Medina, 1 No. 35½ Ash Suit, 24.55; 1 No. 50 Shelf Side Stand, 3.75, Reg. 4 No. 44 Ch., 3.67; 2 No. 27 Ch., 1.70; 12 No. 87 Ch., 6.50, Net.

John H. King, City, 2 No. 33 Wal't W. T. Suits, 50.00, Reg. 10 Spindle H'd and F't Beds, 24.00, Net.

Sent check on First National Bank to Bancroft & Co., Pittsburg, for bill of Hardware, 318.45.

Cash sales: 1 Wal't M. T. Chamber Suit, 118.00; 1 Wal't Parlor Suit in Rep, 85.00.

Bought new Planer, by check, 875.00.

DECEMBER 9, 188–.

Sold E. S. Smith, North Wilson, 1 Book Case, in White, 18.00, Reg. 36 No. 48 Oak Ch., 54.00, Net.

Warren & Francis, Jamestown, 24 No. 87 Ch., 13.00; 24 No. 89 Ch., 14.00; 12 No. 89 Ch., 6.75, Net.

W. J. Thompson, Barclay, 1 No. 42 Ash and Wal't Suit, White, 21.25, Reg. 2 No. 80 Ch., 1.08; 12 No. 98 Ch., 32.00, Net.

Cash sales: 6 Dining Ch., 9.00; 1 Book Case, Wal't, 45.00.

Gave check for 6850 ft. Cherry Lumber, @ 48.00 per M.

Deposited 1500.00.

S. H. Parker pays his note of 950.00, with interest, in cash.

DECEMBER 10, 188–.

Sold Covert Bros., Oxford, 6 Lounges, White, 7.50; 2 No. 1 Couches in Carpet, 17.50, Reg. 6 No. 25 Ch., 7.20; 12 No. 57 Ch., 9.00, Net.

C. A. Graves, Brockport, 2 No. 42 Ash Beds, 18.00; 2 No. 42 Ash Dressers, 31.00, Reg. 4 No. 309 Ch., 4.00, Net.

Daniel Paine, Bridgeport, 6 14 × 24 Glasses, 8.25; 2 No. 33 Wal't W. T. Suits, 75.00; 1 Bunch Cane, 80c., Reg. 10 No. 309 Ch., 10.00, Net.

Cash Sales: 1 Tete in Jute, 16.00; 1 Ford Rocker, 8.00; 1 Arm Ch., 6.00.

J. H. King pays his R. bill, 184.30, and his Net bill of 195.10, of Nov. 10th, less discount. 5 % on the R. bill.

DECEMBER 11, 188–.

Sold Holdridge & Gray, Medina, 6 Ash and Wal't Beds. 36.00, Reg. 18 No. 57. C., in White, 15.50; 24 No. 25½ Ch., 30.00, Net.

Geo. C. Lyon, Fair Haven, 12 No. 4 W. T. Cent. Tables, 42.00, Reg. 24 No. 59 Ch., 14.50, Net.

John H. King, City, 2 No. 1 Book Cases, in White, 37.00; 2 No. 33 Ash and Wal't Suite, 68.50; 2 No. 98 Ch., 5.50, Net.

Cash Sales: 1 W. T. Wash Stand, 4.50; 1 M. T. Suit, 56.00; 1 Office Desk, 34.00; 1 Office Chair, 15.00.

Deposited, 1000.00.

DECEMBER 12, 188–.

Sold E. S. Smith, North Wilson, 3 No. 42 Ash and Wal't Suits, 63.00; 8 S. W. Beds, 24.00, Reg. 4 No. 43 light Ch., 4.50; 4 No. 25 dark Ch., 4.80, Net.

W. J. Thompson, Barclay, 2 No. 33 Wal't Beds, 21.00; 2 No. 33 W. T. Dressers, 34.00, Reg. 24 No. 72. Ch., light, 11.00; 12 No. 72 Ch., dark, 5.50, Net.

Cash sales: 1 M. T. Wal't Side Board, 48.00; 1 Wal't D. Table, 24.00; 9 D. Ch., 13.50.

DECEMBER 13, 188–.

Sold J. H. King, City, 2 M. T. Wal't Side Bords, 58.00; 2 Wal't D. Tables, 38.00, Reg. 18 No. 36 Ch., 24.00, Net.

J. H. Arnold Geneva, 2 No. 33 Ash and Wal't Suits, 64.00; 2 No. 4 S. W. Beds, 8.00; 8 Com. Wash Stands, 12.00, Reg. 12 No. 80 Ch., 12.00, Net.

Daniel Paine, Bridgeport, 2 No. 35 Ash Suits, 51.00; 2 Wal't D. Tables, 28.00, Reg. 24 No. 44 Ch., 28.00, Net.

Sales for cash: 1 Couch in Carpet, 18.00; 1 Pat. Rocker, 22.00; 3 Office Stools, 3.60.

Covert Bros. pay their R. bill of Nov. 13, less discount, in cash.

Deposit in First National Bank, 1500.00.

Bartlett, foreman, has left his Time Book in the office, from which the Pay Roll will be made up. The hands have earned during the week, as follows: Neir, 11.75; Brown, 11.50; J. Wilson, 14.20; D. Wilson, 8.75; Meyer, 15.50; Johnson, 6.75; Lyman, 9.80; Mosier, 13.20; Thayer, 16.25; Pease, 12.50; Bartlett, Foreman, 25.00. Added from the Office and Warehouse: Hyatt, Book-keeper, 30.00; Morey, Ass't Book-keeper, 8.00; Hackett, Salesman, 18.00; Pomeroy, Salesman, 20.00. Entered on Hands Register and paid in full, in cash.

INVENTORIES, DECEMBER 13, 188–.

REAL ESTATE—Manufactory, 18000.00; Warehouse, 24000.00,	42000	00
MERCHANDISE—Manufactured Stock and Raw Material,	78164	90
MACHINERY AND TOOLS—At Cost,	9875	00
OFFICE FIXTURES—At Cost,	850	00
INTEREST—Accumulated on D. M. W.'s Note,		
" " " J. B. A.'s Note,		

Balance the Cash Book. Cash on hand, 543.51. Post, make a Balance Sheet, and close the Ledger. Net gain, 660.56.

QUESTIONS FOR REVIEW.

[1] What books are required? Which are used as principal books, and which as auxiliaries? [2] Describe the Sales Book. [3] From which book are customers debited for purchases on account? [4] To what account is the footing of the Sales Book posted? [5] In what respect does the Cash Book used in this business differ from the ordinary Cash Book? [6] What do you understand by "Regular" bills? [7] How are purchasers' discounted bills entered in the Cash Book? [8] How are the entries of merchandise in the Cash Book posted? [9] How often should the cash be proved? [10] What does the Journal contain? Describe the Hands Register.

BANKING.

The following arrangement of books, series of transactions and entries, are designed to impart to the learner a knowledge of the nature and scope of the duties that ordinarily devolve upon the book-keeper in a bank.

The organization of a bank is explained elsewhere in this connection, but it is not illustrated, the authors believing that only those things that will inevitably confront the pupil when he assumes a position as book keeper in a bank should be taught. More than this, it is feared, will tend to confuse the learner, and will be of comparatively little value to him.

The work embraced in this set begins with the balances of the accounts as exhibited by the Ledgers at the close of business June 15th, and includes the transactions developed by two weeks' continuous business. A balance sheet is to be made, a dividend declared, and the books are to be closed June 29th.

ORGANIZATION OF BANKS.

There are three ways in which banks are established: First, by an association of individuals, called stockholders, constituting a corporation, whose powers to conduct a banking business are conferred by the National Banking Act, and whose affairs are at all times open to the inspection of the proper officer of the United States Treasury; second, by an association of individuals, called stockholders, also constituting a corporation, whose powers to conduct a banking business are conferred by the statutes of the State in which the bank is located, and whose affairs are, in a measure, under the supervision of the Banking Department of the State; and, third, by an individual or partnership, whose affairs generally are controlled by no public official. In some of the States of the Union, however, and in the Dominion of Canada, the Banking Department has the supervision, in a measure, of every bank conducted by an individual or a partnership. (*For explanation of Corporations, see page 202.*)

TO ORGANIZE A NATIONAL BANK.

National Banks alone issue circulating notes, and they are required to assign in trust to the Treasurer of the United States, bonds of the government, as security for such circulation. Circulating notes are supplied by the government to the amount of ninety per cent. of the par value of the bonds so assigned.

The first step to be taken in the organization of a National Bank is to open a subscription list. After the necessary stock has been subscribed, the subscribers meet, adopt articles of association and a name, select a Board of Directors, and elect the officers of the bank. The books are then opened, bonds of the United States purchased and transferred to the Treasurer of the United States. Within a reasonable time the proper amount of currency is received from the Treasury Department, and the bank is prepared to do a banking business, subject to the restrictions and limitations of the National Banking Act.

TO ORGANIZE A STATE BANK.

The preliminary steps in organizing a bank under the banking law of the State are much the same as those to be taken in organizing a National Bank. The subscription list is opened, articles of association and a name are adopted, a Board of Directors and officers are elected, just as in the case of a National Bank. In addition to the steps mentioned, it is necessary that a copy of the articles of association be filed with the Bank Superintendent of the State, where there is such an officer, or with the Comptroller, and another copy in the office of the clerk of the county in which the bank is to be located.

TO ORGANIZE A PRIVATE BANK.

In opening a bank by an individual no formality is required, unless restricted by statute; nor in opening one by a partnership, further than is necessary in any partnership formed for business purposes; simply a partnership contract, signed by the partners, setting forth the nature of the business to be transacted, the amount of capital each partner is to furnish, the duties of each partner, the duration of the partnership, and such restrictions upon the acts of the officers as it is thought wise to impose.

DESCRIPTION OF THE BOOKS.

A larger number of books are required in a bank than in most other kinds of business, yet the bookkeeping is of the most simple character. There is so little variety in the business of a bank—the bookkeeping of one day is so like that of every other day—that the duties of the bookkeeper are little more than mechanical, and are very easily learned. The chief qualifications are accuracy and rapidity.

In banks doing a large business the bookkeeping is divided, so that a number of men may be engaged upon the books, as explained elsewhere, but the arrangement of books will not differ materially from that illustrated.

What is known among bankers as the Balance Ledger is exhibited and explained on pages 199, 200 and 201. This form of ledger possesses many advantages, but it is thought best to require the pupil to use the ordinary form of Deposit Ledger, believing the true sphere of instruction in this connection to be to teach book-keeping as it is practiced in the largest number of Banks, instead of teaching innovations and radical departures from established forms and customs.

The books used in this set are the Journal, General Ledger, Deposit Ledger, New York Draft Register, Discount Register, Collection Register, Discount Tickler and Collection Tickler.

JOURNAL.

The Journal does not differ essentially from the Cash Book as illustrated in the Cash Method on pages 110 and 111. The left-hand page is divided into three cash columns, devoted to Collection and Exchange, Deposits, and General, in the order in which they stand. The Collection and Exchange column contains all the items to be credited to Collection & Exchange account, and the footing of the column is carried into the General column at the close of each day, and posted to the credit of Collection & Exchange in the General Ledger. The Deposits column contains the deposits made by customers during the day, which are posted to the credit of the Depositors' accounts in the Deposit Ledger, and the footing is carried to the General column at the close of the day, and posted to the credit of Deposits account in the General Ledger. The General column contains, in addition to the footings of the Collection & Exchange and Deposits columns, all other entries that are to be posted from this book to the credit side of the General Ledger. The footing of the General column is posted to the debit of Cash in the General Ledger.

The right-hand page of the Journal is provided with two money columns, designated Deposits and General. The first, or Deposits column, is designed to contain checks drawn by our customers. In case two or more checks, drawn by one depositor, are paid during the day, they are "short extended" on one line, and the aggregate is carried into the Deposits column at the close of the day. The footing of the Doposits column is carried into the General column, and posted to the debit of Deposits account in the General Ledger. Each depositor is debited in the Deposit Ledger for the aggregate of his checks, and all items in the General column are posted to the debit of the proper accounts in the General Ledger. Cash account is credited with the footing of the General column.

When the business is of such magnitude as to necessitate the employment of two men upon the Journal, it is divided into two books, one called Debit Journal, which is the same as the right-hand page in this Journal, and the other called Credit Journal, which is the same as the left-hand page.

GENERAL LEDGER.

The General Ledger contains all of the accounts of the business excepting those with depositors, Certificates of Deposit and Certified Checks. Deposit account in the General Ledger represents the accounts in the Deposit Ledger.

DEPOSIT LEDGER.

This book contains accounts with depositors, Certificates of Deposits and Certified Checks, and those only. Several forms of Deposit Ledger are explained and illustrated on pages 198, 199, 200 and 201.

NEW YORK DRAFT REGISTER.

In this book is kept, in detail, our account with our New York correspondent. On the left-hand page are entered all remittances made to Chemical National Bank for our credit, giving the number of the draft or check, the bank or person by whom drawn, the bank or person on whom drawn, and the amount. On the right-hand page are recorded all drafts drawn on Chemical National Bank, giving the number, the person, firm or bank in whose favor made, the amount of collection and exchange, and the face of the drafts. This book is balanced every day, and the balance brought down. The aggregate of the remittances to Chemical National Bank for the day is charged to that bank on the right-hand side of the Journal, and the aggregate of the drafts made on Chemical National Bank is credited to that bank

on the left-hand side of the Journal. The footing of the Collection & Exchange column in this book is credited to Collection & Exchange account, on the left-hand side of the Journal. If it is deemed desirable, this book may also be divided into two books, as in the case of the Journal, one being devoted to remittances made to our correspondent in New York city (or other commercial center), and the other to the drafts drawn by us upon such correspondent.

DISCOUNT REGISTER.

This book is designed to contain a complete record of all paper discounted by the bank. The Amount, Discount, Collection & Exchange and Proceeds columns are footed each day, and ruled as illustrated. (*See Discount Register, pages 190 and 191.*) The footing of the "Amount" column is posted direct to the debit of Bills Discounted in the General Ledger, and checked thus √ in the Discount Register; the footings of the "Discount" and "Collection & Exchange" columns to the credit of Discount and Collection & Exchange accounts in the General Ledger, and checked in the Discount Register; and the footing of the "Proceeds" column to the credit of Deposits account in the General Ledger, and checked in the Discount Register. Each person whose name appears in the "For Whom Discounted" column is credited in the Deposit Ledger for the amount that appears opposite his name in the Proceeds column in the Discount Register, and checked, using as a check mark the page of the depositor's account in the Deposit Ledger.

In case the proceeds are paid in cash, the word "Cash" is written after the party's name in the "For Whom Discounted" column and checked as if it were posted, and the party for whom the paper was discounted will be debited in the Deposit column on the right-hand side of the Journal, and this entry also checked. Discounted bills are entered first in the Discount Register, and from there transferred to the Discount Tickler, under the date of maturity. When so transferred, a check mark, thus √, is placed in the Tickler Check column in the Discount Register opposite each item. In case a note is dishonored, "Protested" is written opposite the record of it in the "Remarks" column in the Discount Register, and such other particulars regarding the matter as may be important.

DISCOUNT TICKLER.

In this book are recorded all the discounted bills, arranged with reference to their maturity. The sphere of the Tickler is to insure the presentation of paper for payment at the proper time.

COLLECTION REGISTER.

This book is designed to contain a record of all paper left with us for collection, that received by us from abroad for collection, and of all sight paper received by us as cash. (*See Collection Register, on pages 194 and 195.*) All *time* paper received for collection is also entered in the Collection Tickler, and when so entered is checked thus √ in the "Tickler and Cr. Check" column in the Collection Register. All sight paper received from abroad is presented at once for payment, and if paid is checked in the "Paid" column in the Collection Register. If the paper is received from one of our regular correspondents, we place the amount collected to the credit of such bank in the Journal, and check thus √ in the "Tickler and Cr. Check" column in the Collection Register. The proceeds of all paper received from others than regular correspondents are remitted in draft on Chemical National Bank, and when so remitted the paper is checked thus √ in the "Tickler and Cr. Check" column in the Collection Register, and the draft entered in the New York Draft Register. All checks and sight drafts payable abroad, received as cash, are entered in this book, and charged in the Journal to the accounts of the banks to which they are sent for collection. When so charged they are checked thus √ in the "T. and Cr. Check" column.

COLLECTION TICKLER.

This book contains a record of all time paper received for collection, such paper being arranged with reference to its date of maturity. The utmost care should be exercised in entering paper in the Ticklers, as grave consequences may follow erroneous entries in these books.

INDIVIDUAL LIABILITIES.

This book is designed to show, in convenient form, the amount of discounted paper carried by the bank for each customer. It gives the date, date of maturity, amount of each note, the parties, collateral security if any, and the date when paid. It is not regarded necessary for the pupil to use this book in performing the following work.

STOCK LEDGER.

This book contains an account with every stockholder, in which he is credited with the amount of stock paid for, and debited with all stock transferred to other parties. This book is not used in this connection, but the form of a Stock Ledger is illustrated on pages 203 and 204.

RESOURCES AND LIABILITIES

OF THE

SECOND NATIONAL BANK.

The General Ledger of the Second National Bank exhibits the following balances of accounts at the close of business, Saturday, June 15, 18—.

DEBIT BALANCES.				CREDIT BALANCES.			
Cash,	2	62348	92	Capital Stock,	1	200000	
United States Bonds,	3	100000		Circulation,	4	90000	
Real Estate,	5	24500		Deposits,	9	233783	57
Furniture and Fixtures,	6	2500		Discount,	11	6483	71
Expense,	7	2683	19	Collection and Exchange,	12	2219	18
National Park Bank, New York, (approved reserve agent),	8	26523	85	Surplus Fund,	21	31750	63
Chemical National Bank, New York,	13	96275	13	Undivided Profits,	24	5718	42
Bills Discounted,	10	234873	54				
Wayne Co. National Bank, Lyons,	16	3846	11				
Geo. K. Warren & Co., Bankers, Bath,	14	1786	51				
First National Bank, Rockford,	15	2870	97				
Norwich National Bank, Norwich,	23	814	02				
Farmers' Bank, Canton,	17	386	07				
Third National Bank, Newport,	18	1287	19				
Exchange National Bank, Bristol,	19	3876	24				
Traders' National Bank, Kingston,	20	883	77				
Redemption Fund with U. S. Treasurer (5 % on circulation),	22	4500					
		569955	51			569955	51

G. L.

NOTE.—Open accounts in the General Ledger with the above balances, as you would if you were opening a new Ledger in any other business, and open them in the order indicated by the number placed before each amount, giving each account one-half of a page.

The following are the balances of depositors' accounts, as shown by the Deposit Ledger. It will be observed that the aggregate of these credits is the same as the amount credited to Deposits account in the General Ledger.

NOTE.—Open an account with each depositor in the Deposit Ledger, and credit him with the amount opposite his name. Give each account one-half of a page. The order in which they appear is unimportant.

W. F. Jameson,	17486	18	Forward,	146662	42
Chas. J. Burke,	32173	11	Wm. Raymond,	4103	29
R. L. Mason,	18452	09	Maxwell Day,	8946	25
D. J. Slocum,	2483	74	Samuel Wilder,	11216	07
Stillman & Moore,	16293	81	L. J. Farnsworth,	6388	28
Jas. Angle,	9817	04	Bingham, Field & Ward,	16343	86
Thomas H. Wilson,	12117	93	Benj. Thomas & Son,	13963	26
Ray Brothers,	11483	54	Lord & Bennett,	11861	98
Meyer & Kauffman,	9411	31	T. J. & W. E. Upton,	14298	16
Johnson Manufacturing Company,	16943	67			
Forward,	146662	42		233783	57

D. L.

The following discounted paper, aggregating the amount debited to Bills Discounted account in the General Ledger, is in possession of the bank at this date, as shown by the Discount Tickler. (*See form of Discount Tickler, on page 196.*)

NOTE.—This discounted paper should be entered in the Discount Tickler, each item under its date of maturity. Since there is no entry or check mark to be made in the Discount Register at the maturity of paper, it is not necessary to enter paper on hand at this date in that book. All paper discounted on this date, and hereafter, must be entered in the Discount Register as well as the Discount Tickler when received. Write the dates in order in the Discount and Collection Ticklers, omitting Sundays and holidays. All paper maturing on either of the days mentioned should be entered under the previous date.

No. 482. Note of H. Whitaker, at 30 days from May 15th, indorsed by D. J. Slocum, payable at Second National Bank, Lyons, for 1500.00. Sent to Wayne County National.

No. 483. Note of H. C. Decker, at 90 days from March 16th, indorsed by Wm. Raymond, payable at Exchange Bank, City, for 8750.00.

No. 484. Note of W. S. Chapin, indorsed by W. W. Wheeler, at 2 months from April 14th, payable at Woodruff's Bank, Livonia, for 500.00. Sent to Woodruff's.

No. 485. Note of Maxwell Day, indorsed by Burt, Brace & Co., at 1 month from May 15th, payable at our bank, for 10000.00.

No. 486. Note of A. O. Bunnell, indorsed by Joseph Cone, at 3 months from March 15th, payable at Exchange Bank, Dansville, for 10500.00. Sent to Exchange.

No. 487. Note of A. M. Hastings, indorsed by Samuel Wilder, at 6 months from December 16th, payable at Union Bank, City, for 5000.

No. 488. Note of W. T. Tinsley, indorsed by J. A. Munson and Meyer & Kauffman, at 30 days from May 17th, payable at Wayne Co. National Bank, Lyons, for 7500.00. Sent to Wayne Co. Nat'l.

No. 489. Note of H. Bancroft, indorsed by Samuel Wilder, at 3 months from March 16th, payable at our bank, for 9000.00.

No. 490. Note of J. Wilson & Co., indorsed by Lord & Bennett, at 60 days from April 17th, payable at our bank, for 15000.00.

No. 491. Note of P. J. Smith, indorsed by Ray Bros., at 4 months from February 17th, payable at Third National Bank, Newport, for 7200.00. Sent to Third National.

No. 492. Note of Johnson Mfg. Co., indorsed by Freeman Clarke, at 90 days from March 19th, payable at our bank, for 3000.00.

No. 493. Note of R. L. Mason, indorsed by P. J. Moore, at 1 month from May 18th, payable at our bank, for 5000.00.

No. 494. Note of D. W. Smith & Co., indorsed by Jas. Angle, at 6 months from December 18th, payable at Union Bank, City, for 2876.90.

No. 495. Note of L. J, Pratt & Co., indorsed by Jas. Angle, at 30 days from May 19th, payable at Exchange Bank, City, for 1500.00.

No. 496. Note of Bingham, Field & Ward, indorsed by C. D. Cox, at 90 days from March 21st, payable at our bank, for 2150.00.

No. 497. Accepted draft of P. Wise & Son, indorsed by Bingham, Field & Ward, at 10 days from June 9th, payable at Second National Bank, Palmyra, for 1800.00. Sent to Second National.

No. 498. Note of Creed & Wilson, indorsed by Ray Bros., at 3 months from March 19th, payable at Union Bank, City, for 2500.00.

No. 499. Note of Brown & Wood, indorsed by Benj. Thomas & Son, at 60 days from April 20th, payable at Third National Bank, Newport, for 1750.00. Sent to Third National.

No. 500. Note of W. F. Jameson, indorsed by James Brackett, at 30 days from May 22d, payable at our bank, for 12000.00.

No. 501. Note of Robert Vaughan, indorsed by Lord & Bennett, at 2 months from April 21st, payable at Union Bank, City, for 2540.18.

No. 502. Note of H. W. Glass, indorsed by Wm. Raymond, at 2 months from April 22d, payable at Brown & Co.'s Bank, Canton, for 785.00. Sent to Farmers'.

No. 503. Note of L. W. Davis, indorsed by Thos. H. Wilson, at 4 months from February 22d, payable at Exchange Bank, City, for 3250.00.

No. 504. Note of Meyer & Kauffman, indorsed by Nelson James, at 2 months from April 23d, payable at our bank, for 4500.00.

No. 505. Note of Knapp & Peck, favor of Meyer & Kauffman, at 60 days from April 24th, payable at First National Bank, Auburn, for 3879.60. Sent to First National.

No. 506. Note of L. W. Brigham, indorsed by Samuel Wilder, at 3 months from March 24th, payable at Farmers' Bank, Canton, for 1285.42. Sent to Farmers'.

No. 507. Note of Maxwell Day, indorsed by Burt, Brace & Co., at 1 month from May 24th, payable at our bank, for 5000.00.

No. 508. Note of Bingham, Field & Ward, indorsed by C. D. Cox, at 30 days from May 25th, payable at our bank, for 3750.00.

No. 509. Note of K. T. Snyder, indorsed by Maxwell Day, at 4 months from February 25th, payable at Union Bank, City, for 2463.21.

No. 510. Note of Amos Tracy, indorsed by Meyer & Kauffman, at 1 month from May 25th, payable at Geo. K. Warren & Co.'s Bank, Bath, for 7340.00. Sent to Geo. K. Warren & Co.'s.

No. 511. Note of Yates & Bell, indorsed by Ray Brothers, at 90 days from March 28th, payable at Exchange Bank, City, for 8500.00.

No. 512. Note of Weaver & Co., indorsed by T. J. & W. E. Upton, at 3 months from March 26th, payable at Ninth National Bank, New York, for 6250.00, Sent to Chemical.

No. 513. Note of Page & Co., indorsed by Thos. H. Wilson, at 2 months from April 26th, payable at Union Bank, City, for 7300.00.

No. 514. Note of A. W. Dunlap & Bro., indorsed by Samuel Wilder, at 60 days from April 28th, payable at Norwich National Bank, for 6833.75. Sent to Norwich National.

No. 515. Note of Stillman & Moore, indorsed by H. Sibley, at 1 month from May 28th, payable at our bank, for 1500.00.

No. 516. Note of Cox & Walker, indorsed by Meyer & Kauffman, at 2 months from April 29th, payable at Farmers' Bank, Canton, for 3850.00. Sent to Farmers'.

No. 517. Note of Curr & Carson, indorsed by Meyer & Kauffman, at 10 days from June 21st, payable at Exchange Bank, Bristol, for 6785.35. Sent to Exchange National.

No. 518. Note of Carroll & Ward, indorsed by W. F. Jameson, at 30 days from June 1st, payable at Traders' National Bank, Kingston, for 8342.11. Sent to Traders' National.

No. 519. Note of B. J. Clark & Son, indorsed by Johnson Mfg. Co., at 60 days from May 3d, payable at First National Bank, Rockford, for 783.20. Sent to First National.

No. 520. Note of R. L. Mason, indorsed by A. S. Hamilton, at 2 months from May 6th, payable at Geo. K. Warren & Co.'s Bank, Bath, for 6000.00. Sent to Geo. K. Warren & Co.'s.

No. 521. Note of Clinton Rogers & Co., indorsed by Thos. H. Wilson, at 3 months from April 7th, payable at Union Bank, City, for 4283.50.

No. 522. Note of De Witt Clarke, indorsed by L. J. Farnsworth, at 60 days from May 12th, payable at Exchange Bank, City, for 3592.18.

No. 523. Note of T. W. Whittlesey, indorsed by Lord & Bennett, at 2 months from May 12th, payable at Farmers' Bank, Canton, for 6583.14. Sent to Farmers'.

No. 524. Accepted draft of J. B. Meech, indorsed by D. J. Slocum, at 60 days from May 14th, payable at Union Bank, City, for 6380.00.

No. 525. Note of Meyer & Kauffman, indorsed by Nelson James, at 3 months from April 15th, payable at our bank, for 5000.00.

No. 526. Note of R. H. Atwood, indorsed by Chas. J. Burke, at 6 months from January 16th, payable at Exchange Bank, City, for 4350.00.

No. 527. Note of Maxwell Day, indorsed by Burt, Brace & Co., at 3 months from April 17th, payable at our bank, for 6220.00.

The following paper is in possession of the bank at this date for collection for other parties, as shown by the Collection Tickler. (*See form of Collection Tickler, on page 197.*)

NOTE.—All of this paper must be entered in the Collection Tickler, each item under its date of maturity. Since there is no entry to be made in the Collection Register when the paper matures, excepting to check sight paper when it is paid and credited, this paper need not be entered in that book.

No. 819. For R. L. Mason, accepted draft at 10 days from June 4th, on J. H. Wing, Lyons, for 584.75. Sent to Wayne County National.

No. 820. For Stillman & Moore, accepted draft at 3 days from June 11th, on Porter Farley, Canton, for 1250.00. Sent to Farmers'.

No. 821. For Thos. H. Wilson, John B. Sage's note, at 30 days from May 16th, payable at Geo. K. Warren & Co.'s Bank, Bath, for 817.00, with interest. Sent to Geo. K. Warren & Co.'s.

NOTE.—Write Interest over the amount in C. T.

No. 822. For Meyer & Kauffman, Henry A. Strong's note, at 2 months from April 15th, payable at Union Bank, City, for 215.00.

No. 823. For Wm. Raymond, accepted draft on W. D. McGuire, at 10 days from June 5th, payable at Norwich, for 368.90. Sent to Norwich National.

No. 824. For Samuel Wilder, accepted draft on E. F. Woodbury, Newport, at 60 days from April 17th, for 63.92. Sent to Third National.

No. 825. For Bingham, F. & W., J. E. Booth's note, at 1 month from May 16th payable at Canton Savings Bank, for 216.25. Sent to Farmers'.

No. 826. For Ray Brothers, P. Ford's note at 30 days from May 17th, payable at Rockford County Bank, with interest, for 1483.50. Sent to First National.

NOTE.—Write Interest over the amount in C. T.

No. 827. For Lord & Bennett, J. M. Harrison s note, at 3 months from March 17th, payable in Bristol, for 1500.00. Sent to Exchange National.

No. 828. For Chas. J. Burke, accepted draft on R. S. Kenyon, at 2 months from April 17th, payable in New York, for 957.65. Sent to Chemical.

No. 829. For D. J. Slocum, A. L. Mabbett's note, at 3 months from March 17th payable at Lyons, for 88.40. Sent to Wayne County National.

No. 830. For Jas. Angle, J. L. Townsend's note, at 60 days from April 18th, payable at Bath, for 396.15. Sent to Geo. K. Warren & Co.'s.

No. 831. For Johnson Manufacturing Co., accepted draft on F. W. Clark, Norwich, at 3 days from June 15th, for 911.13. Sent to Norwich National.

No. 832. For Maxwell Day, Ward Kelly's note, at 6 months from December 18th, payable at Union Bank, City, for 1350.00.

No. 833. For L. J. Farnsworth, accepted draft on Arthur Ranney, at 1 month from May 19th, payable in Canton, for 1215.00. Sent to Farmers'.

No. 834. For S. H. Lowe, Jacob Hoekstra's note, at 6 months from December 19th, payable at Exchange Bank, City, for 918.30.

No. 835. For W. F. Jameson, accepted draft on A. M. Hastings, Yonkers, at 10 days from June 9th, for 856.62. Sent to Chemical.

No. 836. For R. L. Mason, L. S. Fulton's note, at 2 months from April 20th, payable in Lyons, for 126.90. Sent to Wayne County National.

No. 837. For Stillman & Moore, Chas. F. Ham's note, at 3 months from March 21st, payable at Union Bank, City, for 318.20.

No. 838. For Thos. H. Wilson, R. L. Wayte's note, at 30 days from May 24th, payable in Rockford, for 792.53. Sent to First National.

No. 839. For Meyer & Kauffman, accepted draft on Jas. Graham, Norwich, at 30 days from May 26th, for 1239.16. Sent to Norwich National.

No. 840. For Wm. Raymond, Geo. W. Gordon's note, at 2 months from April 27th, payable at Union Bank, City, for 189.38.

No. 841. For Samuel Wilder, E. M. Spaulding's note, at 60 days from April 28th, payable at Exchange Bank, City, for 573.20.

No. 842. For Bingham, Field & Ward, Junius Judson's note, at 5 months from Jaunary 28th, payable in Kingston, for 375.00. Sent to Traders' National.

No. 843. For Chas. J. Burke, Raleigh Farrar's note, at 2 months from April 30th, payable in Jersey City, for 432.57. Sent to First National.

No. 844. For D. J. Slocum, accepted draft at 10 days from June 21st, on Geo. H. Lapham, Lyons, for 87.50. Sent to Wayne County National.

No. 845. For Jas. Angle, F. W. Warren's note, at 3 months from April 1st, payable in Rockford, for 717.90. Sent to First National.

No. 846. For Ray Brothers, J. M. Cook's note, at 60 days from May 5th, payable at Union Bank, City, for 1123.80.

No. 847. For Johnson Mfg. Co., P. J. Reynolds' note, at 90 days from April 6th, payable in Norwich, for 293.60. Sent to Norwich National.

No. 848. For Maxwell Day, Carlton Bowen's note, at 3 months from April 7th, payable in Canton, for 783.19. Sent to Farmers'.

No. 849. For L. J. Farnsworth, A. C. Allen's note, at 2 months from May 8th, payable at Exchange Bank, City, for 318.00.

No. 850. For Benj. Thomas & Son, note of Geo. W. Eastman, at one month from June 12th, payable in Bristol, for 500.00. Sent to Exchange National.

No. 851. For D. D. T. Moore, note of Robert Boyd, at 2 months from May 13th, payable at Union Bank, City, for 375.00.

No. 852. For R. P. Rice, note of J. B. Winnans, at 3 months from April 14th, payable at First National Bank, Bath, for 118.90. Sent to Geo. K. Warren & Co.'s.

No. 853. For W. F. Jameson, note of K. P. Shedd, at 30 days from June 15th, payable at Norwich National Bank, for 615.00. Sent to Norwich National.

MEMORANDA OF BUSINESS.

JUNE 17, 18—.

Discount No. 483, note of H. C. Decker of 8750.00, has been paid.

NOTE.—Mark this Paid & Entered, or P. & E., in the Discount Tickler, and credit Bills Discounted in the Journal.

Received the following paper for collection:

No. 854. For R. L. Mason, sight draft on L. W. Wooden, Nyack, for 432.50. Sent it to Chemical Bank. (*C. R. See note below.*)

No. 855. For Stillman & Moore, note of L. F. Chappell, at 3 months from April 1st, for 1250.00, payable at Second National Bank of Lyons. Sent to Wayne Co. National Bank, Lyons. (*C. R. and C. T.*)

No. 856. For G. H. Perkins, sight draft on W. B. Murdock, Canton, for 926.18. Sent to Farmers Bank, Canton. (*C. R.*)

No. 857. For Jas. Angle, note of David A. Welles, at 30 days from May 18th, for 750.00, with interest, payable at Union Bank, City. (*C. R. and C. T.*)

No. 858. For T. J. & W. E. Upton, sight draft on Daniel Boody, Hoboken, for 119.75. Sent to Chemical Bank. (*C. R.*)

No. 859. For Samuel Wilder, accepted draft on Wm. Haynes, Norwich, at 10 days from June 13th, for 1842.11. Sent to Norwich National Bank. (*C. R. and C. T.*)

No. 860. For Wm. Raymond, sight draft on Peter Bradley, Rockford, for 143.90. Sent to First National Bank, Rockford. (*C. R.*)

NOTE.—All sight paper, whether received on deposit or only for collection, should be entered in the Collection Register, and all time paper should also be entered in the Collection Tickler, under date of maturity.

Discounted the following paper:

No. 528. For Chas. J. Burke, note of J. D. Winslow, at 30 days from this date, payable at Exchange Bank, City, for 858.90. Proceeds credited. (*Discount Register. D. T. See form on pages 190 and 191.*)

No. 529. For D. J. Slocum, note of H. Whitaker, at 1 month from June 15th, payable at First National Bank, Lyons, for 1250.00. Proceeds credited and note sent to Wayne County National Bank for collection. Discount, 6.46; Collection, 1.00; Exchange, 1.56. (*D. R., D. T.*)

NOTE.—A charge is made for Exchange as well as Collection on all discounted paper payable abroad. The proceeds of each note must be remitted to us, if the note was collected by a bank not a regular correspondent, and the cost of Exchange will be deducted; and a like charge for Exchange would be made by our correspondents were it not for the reciprocal arrangement with them mentioned on page 167. Hence our charge for Exchange.

No. 530. For Samuel Wilder, note of A. M. Hastings, at 10 days from this date, payable at Union Bank, City, for 3875.00. Proceeds credited. (*D. R., D. T.*)

No. 531. For Johnson Mfg. Co., their note at 30 days from this date, indorsed by Freeman Clarke, payable at our bank, for 5000.00. Proceeds credited. (*D. R., D. T.*)

The following drafts on New York were received among the deposits, and have been sent to Chemical Bank, New York, for our credit: No. 234, First National of Dayton, on Shoe & Leather, 2875.00; No. 1851, Commercial of Corning, on Metropolitan, 542.75; No. 753, City Bank of Holley, on Broadway, 37.20; No. 115, Seward's of Auburn, on Chemical, 1123.14; No. 1321, Exchange of Geneva, on Third National, 2475.00; No. 4, Steele & Avery, City, on D. Slote & Co., 375.00. (*N. Y. D. R.*)

NOTE.—See form of New York Draft Register on page 192, and description of it on page 159.

Drew the following drafts on Chemical Bank: No. 585, favor Lord & Bennett, 325.10; Exch., 50c. No. 586, favor Samuel Wilder, 1200.00; Exch., 1.50. No. 587, favor G. W. Cook, 56.15; Exch., 15c. No. 588, favor Meyer & Kauffman, 2500.00; Exch., 3.13. No. 589, favor Stillman & Moore, 300.00; Exch., 50c. No. 590, favor Thos. H. Wilson, 10000.00; Exch., 12.50. No. 591, favor W. F. Jameson, 2000.00; Exch., 2.50. (*N. Y. D. R. See form on page 193.*)

Received the following deposits: Lord & Bennett, 1285.50; Samuel Wilder, 976.00; Johnson Manufacturing Co., 2875.00; Stillman & Moore, 1872.25; Chas. J. Burke, 5460.00; James Angle,

375.00; W. F. Jameson, 926.14; D. J. Slocum, 432.12; Ray Bros., 856.11; Wm. Raymond, 1756.23; L. J. Farnsworth, 493.92; Benj. Thomas & Son, 1250.00; T. J. & W. E. Upton, 2115.00. (*J.*)

NOTE.—Enter the above deposits on the left-hand side of the Journal, and the following checks on the right-hand side, as they would be in the Cash Method. Enter all deposits and checks in the Journal short extended, and make the final extensions at the close of business for the day. See form of Journal on pages 184 and 185, and the explanation of the manner of using the special columns on page 159.

Paid the following checks: Bingham, Field & Ward, 375.00, 926.50, 1000.00; Lord & Bennett, 2118.00, 325.60, 92.15; Samuel Wilder, 2025.00, 37.50, 325.00, 150.00; Wm. Raymond, 200.00, 480.00, 3115.00; Meyer & Kauffman, 4275.00, 85.00; Thos. H. Wilson, 10000.00; Stillman & Moore, 2500.00; 187.50; 300.00; R. L. Mason, 3250.00, 132.00, 247.18; W. F. Jameson, 2000.00, 342.25, 1175.00. (*J.*)

Collection and Exchange, from Teller's Memorandum, 7.25. (*J.*)

NOTE.—The items of Collection and Exchange on sight drafts and foreign checks received on deposit are entered in the Teller's Memorandum at the time the deposits are made, and are either paid in cash by the depositors or deducted from the deposit tickets. Collection and Exchange is credited in the Journal at the end of the day for the sum of such items

The pupil will now balance the New York Draft Register, and carry the aggregate of the drafts drawn on Chemical National Bank to the credit of that bank on the left-hand side of the Journal, the footing of the Collection & Exchange column to the Collection & Exchange column on the left-hand side of the Journal, and the aggregate of remittances to Chemical National Bank to the debit of that bank on the right-hand side of the Journal. Add and rule the columns in the Discount Register, and post the footing of the column containing the amount of paper discounted direct to the debit of Bills Discounted in the General Ledger, the footings of the Discount and Collection & Exchange columns to the credit of those accounts in the General Ledger, and the footing of the Proceeds column to the credit of Deposits in the General Ledger. The items in the Proceeds column should be credited to the persons for whom discounted, in the Deposit Ledger. Check each posting thus √ in the Discount Register.

You will also add and rule the Journal, carrying the footings of the Collection & Exchange and Deposits columns into the General column. (*See form of Journal on pages 184 and 185.*) Post all of the items in the Deposit column, on the left-hand page, to the credit of the depositors named, in the Deposit Ledger, and the footing of that column to the credit of Deposits account in the General Ledger; and post the items in the Deposit column, on the right-hand page, to the debit of the depositors named, in the Deposit Ledger, and the footing of that column to the debit of Deposits account in the General Ledger. Post all the other items in the General column on the left-hand page to the credit of the respective accounts in the General Ledger, and those in the General column on the right-hand page to the debit of the respective accounts. Debit Cash account in the General Ledger with the footing of the left-hand page of the Journal, and credit it with the footing of the right-hand page.

JUNE 18, 18—.

Received advice from Wayne County National Bank, Lyons, that collection No. 819 has been paid and placed to our credit (*J.*)

Charge W. C. N. Bank, 584.75, and credit R. L. Mason & Co., 584.25, and Coll. & Exch., 50c. Check Paid and Entered, or P. & E., in the Collection Tickler.

Also from Farmers' Bank, Canton, that collection No. 820 has been paid and placed to our credit. (*J.*)

Charge Farmers' Bank, 1250.00, and credit Stillman & Moore, 1249.00, and Coll. & Exch., 1.00. Check P. & E. in C. T.

Collection No. 822 has been paid. (*J.*)

Credit Meyer & K., 215.00, and check P. & E. in C. T. No charge is made for collecting paper payable in the city.

Discount No. 485 has been placed among the checks, and will be charged to the account of the maker, Maxwell Day, at the close of business for the day. (*J.*)

NOTE.—Since this note was made by one of our depositors, and his account is good for the amount, it is only necessary to credit Bills Discounted, 10000.00, at this time, and place the note among the vouchers that are to be charged to depositors. See list of checks paid, below.

Received advice from Wayne County National Bank, that discount No. 482 has been paid and placed to our credit. (*J.*)

Credit Bills Discounted and debit W. C. N. Bank 1500.00, and check Paid and Entered, or P. & E., in the Discount Tickler.

Received draft No. 161, on Sixth National Bank, New York, from Woodruff's Bank, Livonia, for proceeds of discount No. 484, less 25c. collection and 25c. exchange. (*J.*)

Credit Bills Discounted, 500.00, and debit Coll. & Exch., 50c. The draft received will be charged to Chemical National Bank, in the N. Y. Draft Register, later in the day, with other drafts received during the day.

Received the paper described below, from the following banks, for collection and credit: From Norwich National Bank, H. B. Cook & Co.'s sight draft for 4150.00, on N. Fisher & Co. Presented, collected and credited. (*C. R., J.*)

Credit N. N. Bank, 4150.00, and check thus ✓ in both check columns in the Collection Register.

NOTE No. 1.—All paper received for collection from abroad is entered in the Collection Register. If it is time paper, it is also entered in the Collection Tickler and checked thus ✓ in the "Tickler Check" column in the Collection Register.

NOTE No. 2.—If payable at sight, it is collected and checked thus ✓ in the "Paid" column in the Collection Register, and credited to the bank from whom we received it in the Journal, and again checked in the "Tickler Check" column in the Collection Register. The "Tickler Check" column thus serves the double purpose of checking sight paper when credited and time paper when entered in the Tickler.

NOTE No. 3.—All paper received for collection, payable abroad, is also entered in the Collection Register. If time paper, it should also be entered in the Collection Tickler, and checked thus ✓ in the "Tickler Check" column, and sent forward for collection.

NOTE No. 4.—If sight paper, received on deposit, or as cash, it should be entered in the Collection Register, charged in the Journal to the bank to whom sent, and checked in the "Tickler and Cr. Check" column in the Collection Register In case of the dishonor of sight paper received as cash, the party from whom it was received would be required to take it up, and the bank to whom it was sent and charged would be credited back. If sight paper, received for collection for others, enter it in the Collection Register and send forward for collection.

NOTE No. 5.—No charge is made for collecting paper payable in the city received from banks with whom we have regular dealings, nor do such banks make a charge to us in similar cases. The accommodation is reciprocal. The fee for collecting is paid by the party for whom the collection is made, and retained by the bank that received the paper for collection. In case, however, that one bank were required to do an amount of collecting greatly in excess of its correspondent, an equitable compensation would be allowed by the bank that received the paper to the bank that collected it. This is a matter of agreement between banks.

From Exchange National Bank, Bristol, D. J. Loomis' check on Union Bank, City, for 493.18. Collected. (*C. R., J.*)

Credit Exchange N. Bank, Bristol, 493.18. See Note No. 2, above.

From Traders' National Bank, Kingston, A. B. Wilson's sight draft on Johnson Mfg. Co., for 573.90. Presented, accepted and placed among the checks. (*C. R., J.*)

Credit Traders' N. Bank, Kingston, 573.90.

NOTE.—Since Johnson Mfg. Co. have an account with us, it is only necessary, if their account is good for the amount of this draft, for them to accept it, payable at our bank. We then place it among the checks, and charge it up at the close of business. See list of checks for this date.

Received remittances in drafts on New York from the following banks, on account: No. 943, First National of Rockford, on Broadway Bank, for 2500.00; No. 341, Geo. K. Warren & Co., Bath, on Union Trust Co., for 1500.00.

Credit the banks from whom the drafts are received at once, in the Journal, and enter the drafts on the left-hand side of the N. Y. Draft Register, with other drafts, later in the day.

The following sight drafts, dated this day, on individuals and firms, received on deposit from our customers, and included in deposits enumerated below, have been sent to our correspondents for our credit:

W. F. Jameson, on D. B. Hill, Lyons, for 225.00. Sent to Wayne Co. National, and charged to their account. (*C. R., J.*)

Johnson Mfg. Co., on P. G. Warren, Bristol, for 2800.00. Sent and charged to Exchange National Bank, Bristol. (*C. R., J.*)

Maxwell Day, on D. L. Price & Co., Kingston, for 340.00. Sent and charged to Traders' National Bank, Kingston. (*C. R., J.*)

Jas. Angle, on A. A. Wildman, Rockford, for 1350.00. Sent and charged to First National Bank, Rockford. (*C. R., J.*)

Discounted the following paper: For Johnson Mfg. Co., P. L. Paine's accepted draft, at 30 days from June 15th, payable at First National Bank, Lyons, for 4325.00. Discount, 21.63; Collection, 4.00; Exchange, 5.41. Sent to W. C. N. Bank. (*D. R., D. T.*)

For Maxwell Day, D. H. Davis' note, at 3 months from April 15th, payable at Woodruff's Bank, Livonia, for 1500.00. Discount, 7.50; Collection, 1.00; Exchange, 1.88. Sent Woodruff's Bank. (*D. R., D. T.*)

For Samuel Wilder, Isaac Willis' note, at 60 days from May 10th, payable at Farmers' Bank, Canton, for 2394.80. Discount, 9.58; Collection, 2.00; Exchange, 2.98. Sent Farmers' Bank. (*D. R., D. T.*)

For Thos. H. Wilson, J. D. Shultz' note, at 1 month from date, payable at Corning's Bank, Richmond, for 398.50. Discount, 2.19; Collection, 50c.; Exchange, 50c. Sent Corning's Bank. (*D. R., D. T.*)

For R. L. Mason, T. G. Lord's note, at 4 months from March 9th, payable at Norwich National Bank, for 960.00. Discount, 3.84; Collection, 50c.; Exchange, 1.20. Sent Norwich National Bank. (*D. R., D. T.*)

Received the following paper for collection: From W. F. Jameson, draft at 10 days from date, on W. L. Peters & Co., Hoboken, for 918.75. Sent Chemical Bank. (*C. R., C. T.*)

From Jas. Angle, note of W. F. Burroughs, at 2 months from May 1st, payable at Exchange Bank, City, for 1290.00. (*C. R., C. T.*)

From Ray Bros., note of Miller & Co., at 2 months from April 30th, payable at First National Bank, Kingston, with interest, for 482.60. Sent Traders' National, Kingston. (*C. R., C. T.*)

From Meyer & Kauffman, draft at 15 days from date on Wendell & Holmes, Canton, for 1194.83. Sent Farmers' Bank, Canton. (*C. R., C. T.*)

Drew the following drafts on Chemical Bank: No. 592, favor Lord & Bennett, 1141.80; Exch., 1.00. No. 593, favor Bingham, F. & W., 132.20; Exch., 25c. No. 594, favor Wm. Raymond, 437.00; Exch., 50c. No. 595, favor Johnson Mfg. Co., 6444.00; Exch., 6.00. No. 596, favor Ray Bros., 4496.00; Exch., 4.00. No. 597, favor R. L. Mason, 4246.00; Exch., 4.00. (*N. Y. D. R.*)

The following drafts on New York, received during the course of to-day's business, have been remitted to Chemical Bank for our credit: No. 161, Woodruff's Bank of Livonia, on Sixth National, 499.50; No. 943, First National of Rockford, on Broadway Bank, 2500.00; No. 341, Geo. K. Warren & Co., Bath, on Union Trust Co., 1500.00; No. 108, Ward's Bank of Union, on Third National, 86.90; No. 347, First National of Butler, on Chemical, 583.11; No. 4043, Second National of Byron, on Broadway Bank, 2586.74; No. 48, Clark's Bank of Warsaw, on Sixth National, 138.18. (*N. Y. D. R.* *See form on page 192.*)

Received the following deposits: T. J. & W. E. Upton, 1175.00; Benj. Thomas & Son, 435.57; Bingham, Field & Ward, 2850.00; Samuel Wilder, 894.13; Maxwell Day, 948.75; Johnson Mfg. Co., 3480.00; Meyer & Kauffman, 550.00; Thos. H. Wilson, 2294.18; Jas. Angle, 1840.00; D. J. Slocum, 486.78; W. F. Jameson, 1500.00. (*J.*)

Paid the following checks: Lord & Bennett, 2500.00, 1142.80, 177.14; Bingham, Field & Ward, 132.40, 1892.18, 450.00; Wm. Raymond, 1000.00, 437.50, 140.00; Johnson Mfg. Co., 6450.00, 573.90; Maxwell Day, 10000.00; Ray Bros., 115.00, 973.62, 4500.00; Thos. H. Wilson, 56.75, 1394.11, 250.00; Stillman & Moore, 7500.00; R. L. Mason, 4250.00, 3400.00. (*J.*)

Collection and Exchange, from Teller's Memorandum, 6.94. (*J.*)

Paid cash for Office Stationery, Postage, etc., 12.18. (*J.*)

Balance the New York Draft Register, and carry the footing of the debits and credits for the day to the Journal, the aggregate of drafts drawn on Chemical Bank to the credit of that bank, the footing of Exchange column to the credit of Collection & Exchange, and remittances to Chemical Bank to the debit of that bank. Also rule, foot and post the Discount Register and the Journal, as directed on page 166.

JUNE 19, 18—.

Received advice from Chemical National Bank, New York, that collection No. 858 has been paid.

Charge Chemical Bank in N. Y. D. R., 119.75. Credit T. J. & W. E. Upton, 119.25; Coll. & Exch., 50c., in J.

Also that collection No. 854 has been paid.

Charge Chemical Bank, 432.50, N. Y. D. R.; and credit R. L. Mason, 432.00, and Coll. & Exch., 50c., J.

Received advice from First National, Rockford, that collection No. 860 has been paid.

Charge First National, Rockford, 143.90. Credit Wm. Raymond, 143,40; Coll. & Exch., 50c. J.

Received advice from Geo. K. Warren & Co., Bath, that collection No. 821 has been paid.

Charge Geo. K. W. & Co., 817.00, and 33 days interest, 4.49; total, 821.49. Credit Thos. H. Wilson, 820.99, and Coll. & Exch., 50c. J.

From Norwich National Bank, that collection No. 823 has been paid and credited.

Credit Wm. Raymond, 368.40, and Coll. & Exch., 50c.; and charge Norwich National, 368.90. J.

From Farmers' Bank, Canton, that collection No. 856 has been paid.

Credit G. H. Perkins, in Transient Accounts, 925.68; and Coll. & Exch., 50c.; and charge Farmers' Bank, 926.18. J.

NOTE.—The "Transient Accounts" account, in the Deposit Ledger, is used instead of opening a separate account with each person, not a regular depositor, who leaves a single note or draft for collection, or who deposits money to meet a note or a draft falling due at our bank. We credit the person for whom we make the collection, or from whom we receive the deposit, in the Journal, and post the item to the credit of Transient Accounts, using the person's name in explanation. When the amount is drawn out, we charge the person in the Journal, and post it to the debit side of Transient Accounts, making the entry on the same line in the Ledger as that containing the credit to the party.

Received from Exchange National Bank, Dansville, their draft, No. 1486, on Bowery Bank, New York, for 10494.75, proceeds of discount No. 486, less their charge for collection, 5.25. (*J. Check P. & E. in D. T.*)

NOTE.—The Exchange National Bank of Dansville, not being a regular correspondent, charges us one-twentieth per cent. for collecting paper sent them. This charge is about one-half of that made by us to the customer for whom we discounted the note, the difference showing our profit in that transaction from collection alone. Credit Bills Discounted, 10500.00, and debit Coll. & Exch., 5.25, in the Journal. The difference represents the draft received, which will be sent and charged to Chemical Bank with others at the close of the day.

Discounts Nos. 487, 489 and 490, payable in the city, have been paid. (*J.*)

Received the paper described below, from the following banks, for collection and credit: From Geo. K. Warren & Co., Bath, A. L. Underhill's draft on Harvey Brown, at 2 days' sight, 942.17. The drawee accepts the draft upon presentation, payable at Union Bank, City. (*C. R., C. T.*)

From First National, Rockford, Brooks & Smith's sight draft on O. W. Lansing, 1455.00. Collected and credited to First National Bank, Rockford, 1455.00. (*C. R., J.*)

From Farmers', Canton, S. P. Stevens' sight draft on M. M. Ward, 32.18. Collected and credited to Farmers', Canton, 32.18. (*C. R., J.*)

From First National, Belleville, B. T. Jones & Co.'s sight draft on Yeoman & Blake, 411.75. Collected and remitted draft No. 598 on Chemical Bank for 411.50. Collection, 25c.

NOTE.—This draft will be credited to Chemical Bank, with others, at close of banking hours. Since the First National Bank of Belleville is not a regular correspondent, we make a charge for collecting the foregoing draft, but only one-half of the charge we would make to an individual. No charge for exchange. See list of drafts drawn on Chemical Bank.

Received remittances from our correspondents, on account, as follows: From Wayne Co. National, draft No. 4142, on Fifth National, New York, for 5000.00. From Third National, Newport, draft No. 372, on Bowery Bank, New York, for 1287.19. (*J. Credit the banks making these remittances.*)

NOTE.—These drafts, with others received during to-day's business, will be remitted to Chemical Bank at the close of banking hours, and at that time will be charged to Chemical Bank in the N. Y. D. R.

Remitted our draft, No. 599, on Chemical Bank, for 3000.00, to Norwich National Bank, on account. (*J.*)

NOTE.—This will be credited to Chemical Bank, with others, at the close of business. Debit Norwich Bank. This could be entered in the N. Y. D. R. at once, but these drafts are usually torn from a stub when issued, and are entered in the N. Y. D. R. from the stubs at the close of the day.

The following sight drafts on individuals and firms, received on deposit, have been sent forward for collection and credit: Lord & Bennett, on W. H. Atwater, Lyons, 211.50; sent and charged to Wayne Co. National. Wm. Raymond, on W. Dunn, Corning, 275.50; sent Livingston's Bank, and charged to Livingston's Bank in Sundry Banks and Bankers account. (*C. R.*)

NOTE.—Livingston's Bank not being a regular correspondent, we do not wish to open a separate account with it. We therefore open an account with Sundry Banks and Bankers, and debit that account for the amount of the draft sent Livingston's Bank. Debit Livingston's Bank in the Journal, and place S. B., the initials for Sundry Banks and Bankers, after the entry, and post the item to Sundry Banks and Bankers account in the General Ledger. When the proceeds are received, credit Livingston's Bank for the face of the draft, and post it to the credit of Sundry Banks and Bankers account, on the same line with the debit to Livingston's Bank, and debit Coll. & Exch. in the Journal for the collection.

Discounted the following paper: For D. J. Slocum, Ward & Cobb's note, at 30 days from date, for 3000.00, indorsed by Jas. Jackson, Jr., payable at Second National Bank, Lyons; sent Wayne Co. National for collection. Discount, 16.50; Collection, 3.00; Exchange, 3.75.

For Jas. Angle, Young & Baldwin's note for 380.00, at 15 days from date, payable at Union Bank, City. Discount, 1.14.

For L. J. Farnsworth, T. K. Scott's note for 1800.00, at 1 month from 15th inst., payable at Exchange Bank, City. Discount, 8.70.

For Bingham, Field & Ward, Wm. Raymond's note for 1450.00, at 5 days from this date, payable at our bank. Discount, 1.93.

For Meyer & Kauffman, their note at 20 days from this date, for 2000.00, indorsed by W. M. Bond, payable at our bank. Discount, 7.67. (*D. R., D. T.*)

Received the following paper for collection: From D. J. Slocum, his sight draft on Ward & Holmes, Lyons, for 149.44; sent Wayne County National.

From Samuel Wilder, his sight draft on King & Co., Canton, for 856.90; sent Farmers' Bank, Canton.

From Chas. J. Burke, his sight draft on Warren & Co., Belfast, for 1492.00; sent First National Bank, Belfast.

From L. W. Perry, his sight draft on Wilson & Caldwell, Newport, for 364.87; sent Third National, Newport.

From Thos. H. Wilson, his sight draft on Nellis & Knox, Rockford, for 182.50; sent First National, Rockford. (*C. R.*)

Drew the following drafts on Chemical Bank: No. 598, favor First National, Belleville, 411.50; Exch., 25c. No. 599, favor Norwich National, 3000.00. No. 600, favor T. J. & W. E. Upton, 400.00; Exch., 50c. No. 601, favor Lord & Bennett, 52.25; Exch., 15c. No. 602, favor Samuel Wilder, 1790.26; Exch., 2.24. No. 603, favor Johnson Mfg. Co., 5992.50; Exch., 7.50. No. 604, favor D. J. Slocum, 74.75; Exch., 15c.

Remitted to Chemical Bank, for our credit, the following drafts on New York, received during the day: No. 1486, Exchange National Bank, Dansville, on Bowery Bank, 10494.75; No. 4142, Wayne County National, on Fifth National, 5000.00; No. 372, Third National, Newport, on Bowery Bank, 1287.19; No. 1009, First National, Memphis, on Broadway, 63.94; No. 416, Wheeler's Bank, Belleville, on Second National, 489.43; No. 3142, Richmond's Bank, Batavia, on Chemical, 6300.00; No. 113, Ray Bros., on Cook & Lane, New York, 987.00. (*N. Y. D. R.*)

Received the following deposits, as shown by deposit tickets filed: Lord & Bennett, 3000.00; Benj. Thomas & Son, 1790.00; L. J. Farnsworth, 315.00; Wm. Raymond, 775.00; Johnson Mfg. Co., 5275.60; Ray Bros., 2910.00; Thos. H. Wilson, 1800.00; Stillman & Moore, 6150.00; R. L. Mason, 8219.40; Chas. J. Burke, 3926.42.

Paid the following checks: T. J. & W. E. Upton, 242.69, 400.00; Lord & Bennett, 52.75, 146.90, 2234.46; Bingham, Field & Ward, 824.50, 640.00, 1138.55; Samuel Wilder, 2134.30, 86.25; Johnson Mfg. Co., 896.81, 27.50, 6000.00; Ray Bros., 4500.00; Jas. Angle, 1690.00, 47.25; D. J. Slocum, 75.00, 1792.63, 250.00. (*J.*)

Collection and Exchange, from Teller's Memorandum, 16.92.

Rule and foot the New York Draft Register, and carry the results to the Journal. Rule, foot and post the Discount Register and the Journal, as directed on page 166.

JUNE 20, 18—.

Received advice that the following collections have been paid: No. 824; Coll. & Exch., 25c. No. 825; Coll. & Exch., 50c. No. 826; Interest, 8.16; Coll. & Exch., 1.00. (*J.*)

Collection No. 857 has been paid.

Credit Jas. Angle, 750.00, and 33 days interest, 4.13; total, 754.18. J. Be careful to make the proper check mark in the C. T.

Received advice from Wayne County National Bank that discount No. 488 has been paid, 7500.00. (*J.*)

Discount No. 492, payable at our bank, has been charged to the account of the maker. (*J.*)

NOTE.—This note was made by one of our depositors, and made payable at our bank. It is only necessary, therefore, since the maker's account is good for the amount, to place the note among the checks and charge it up at the close of business, as a check would be charged. See list of checks for this date. All the entry necessary at this time is to credit Bills Discounted in the Journal.

Received 3000.00 on deposit from W. G. Snyder. Issued him a Certificate of Deposit, No. 703.

Credit Certificates of Deposit in the Journal, and extend the amount in the "Deposit" column.

NOTE.—W. G. Snyder is not a customer, and instead of crediting him for his deposit, we, at his request, issue him a Certificate of Deposit, and credit Certificates of Deposit account. A Certificate of Deposit is a paper headed with the name and location of the bank, and the date, stating that Mr. ——— has deposited ——— dollars in this institution, payable to himself, or order, upon return of this certificate properly indorsed, and is signed by the president or cashier, or both.

Received the paper described below, from the banks named, for collection and credit:

From Farmers', Canton, P. G. White's sight draft, dated 19th, on Jas Angle, for 94.16. Presented, accepted and placed among the checks. (*C. R., J. Credit Farmers', Canton, 94.16.*)

From D. G. Lamson's Bank, Belfast, C. A. Stone's sight draft, dated 18th, on Hart & Shepard, for 298.75. Collected. Remitted our draft on Chemical Bank for the amount, less 25c. for collection. (*C. R.*)

This draft will be entered in the N. Y. D. R. at the close of business hours. No entry at this time excepting in the C. R., for the reasons explained on page 169.

From Wayne County National, Weaver & Jane's sight draft on Peter Wallace & Co., for 873.25, dated 19th. Collected. (*Credit Wayne Co. National, 873.25. C. R., J.*)

From Traders' National, Kingston, Jas. Angle's note, at 3 months from March 22d, indorsed by E. H. Mott & Co., for 1400.00, payable at our bank. (*C. R., C. T.*)

From Wisner & Clark's Bank, Clyde, W. A. Hood's note, indorsed by C. A. Parry & Co., for 375.00, at 30 days from May 25th, payable at Exchange Bank, City. (*C. R., C. T.*)

From Norwich National, Warren & Sharp's sight draft on L. W. Gage for 162.11, dated June 19th. Collected. (*Credit Norwich National Bank, 162.11. C. R., J.*)

The following described paper, received on deposit, has been sent to the banks named, for collection, and charged to their respective accounts: Samuel Wilder's sight draft on Tubbs & Co., Kingston, for 194.50; to Traders' National, Kingston. Thomas H. Wilson's sight draft on Norman Lacy, Rockford, for 34.17; to First National, Rockford. Johnson Mfg. Co.'s sight draft on B. A. Cole, Livonia, for 86.40; sent to Woodruff's Bank, Livonia.

Charge Woodruff's Bank in Sundry Banks and Bankers account. See note on page 169.

Lord & Bennett's sight draft on M. F. Burgess, Newport, for 346.94; sent Third National, Newport. W. F. Jamieson's sight draft on L. M. Newton, Bath, for 732.81; sent Geo. K. Warren & Co., Bath. Bingham, Field & Ward's sight draft on Newman & Gregg, Bristol, for 17.39; sent Exchange National, Bristol. (*C. R., J.*)

Received the following paper from our customers and others for collection: From Ray Bros., sight draft on G. H. Wilson & Co., Holley, for 182.90; sent City Bank, Holley. From Dunn & Cole, sight draft on D. F. Coates, Geneva, for 863.50; sent Exchange, Geneva. From Thos. H. Wilson, Hadley & Holmes' note, at 3 months from March 26th, for 918.92, payable at First National, Lyons; sent Wayne County National, Lyons. (*C. R., C. T.*)

Discounted the following paper: For R. L. Mason, Havens & Co.'s note for 450.00, at 30 days from this date, payable at Union Bank, City. Discount, 2.48.

For Samuel Wilder, his note for 1500.00, indorsed by J. A. Lindsay, at 1 month from the 19th inst., payable at our bank. Discount, 8.00.

For Meyer & Kauffman, Robert Moore's note for 2200.00, at 20 days from this date, payable at First National, Lyons. Discount, 8.43; Coll., 2.00; Exch., 2.75. Sent to Wayne County National.

For J. A. Bush, Philip Warner's note for 500.00, indorsed by John Rice, at 30 days from this date, payable at Union Bank, City. Proceeds paid in cash. Discount, 2.75. (*D. R., D. T., J.*)

NOTE.—J. A. Bush not being a regular depositor, we pay him the amount of the proceeds of this note in cash. Write "Cash" after his name in the "For Whom Discounted" column in the Discount Register, and check it so that it will not be posted.

In transactions of this kind the discount clerk draws a check for the amount of the proceeds, and gives it to the person for whom the note was discounted, who signs it and checks out the amount. The check is placed among the checks (*see checks below*) and charged to the maker in the Journal at the close of the day, and the entry checked as in the Discount Register.

Another way, and the one pursued in the last half of this set, is to furnish the person for whom the paper was discounted a check signed by the cashier, called a "cashier's check," which is cashed by the paying teller and placed among the checks. This check is charged to Cashier account in the Journal, and checked where the ordinary form of Journal is used, or entered in the "Checks in Detail" column where the Balance Ledger is used.

In the latter case, that is, where the Balance Ledger is used, the amount in the Discount Register would have to be posted to the credit of Cashier account, by entering it in the "Deposits" column, and this would balance the account.

For Wyman & Fisher, their note, indorsed by J. H. Price, at 1 month from the 16th instant, for 600.00, payable at Farmers', Canton. Proceeds paid in cash. Discount, 2.90. Sent Farmers' Bank. (*See note above. D. R., D. T., J.*)

For Johnson Mfg. Co., Darwin & Kent's note for 1500.00, at 30 days from the 16th inst., payable at Norwich National, Norwich. Discount, 7.25; Coll., 1.00; Exch., 1.88. Sent to Norwich National.

Drew the following drafts on Chemical Bank: No. 605, favor Johnson Mfg. Co., 998.75; Exch., 1.25. No. 606, favor D. C. Allison, 17.00; Exch., 15c. No. 607, favor W. F. Jameson, 244.50; Exch., 50c. No. 608, favor L. S. Lansing, 116.00; Exch., 25c. No. 609, favor D. J. Slocum, 4993.75; Exch., 6.24. No. 610, favor P. J. Dudley, 73.50; Exch., 15c. No. 611, favor Meyer & Kauffman, 2496.87; Exch., 3.12. No. 612, favor W. B. Sage, 1000.00; Exch., 1.25. No. 613, favor Lord & Bennett, 1598.00; Exch., 2.00. No. 614, favor D. G. Lamson's Bank, 298.50; Exch., 25c.

Remitted to Chemical Bank, for our credit, the following drafts on New York, received during the day: No. 1042, First National, Princeton, on Bowery Bank, 192.82; No. 213, Woodruff's, Livonia, on Sixth National, 1482.90; No. 194, Ward's Bank, Union, on Third National, 18.25; No. 1516, Exchange National, Dansville, on Bowery, 411.07; No. 2104, Commercial, Corning, on Metropolitan, 1242.16; No. 13492, First National, Waverly, on Union Trust Co., 27.90; No. 826, City Bank, Holley, on Broadway, 146.83; No. 1513, Exchange, Geneva, on Third National, 875.00; No. 482, First National, Butler, on Chemical, 218.11.

Received the following deposits: W. F. Jameson, 584.00; D. J. Slocum, 1395.18; Jas. Angle, 2873.00; Thos. H. Wilson, 843.10; Meyer & Kauffman, 4200.00; Johnson Mfg. Co., 5125.00; Samuel Wilder, 943.92; Bingham, Field & Ward, 550.00; Benj. Thomas & Son, 1975.00; Lord & Bennett, 2400.00.

Opened an account with J. H. Wentworth & Co., and received a deposit of 1250.00.

Paid the following checks: Johnson Mfg. Co., 1000.00, 396.00, 2584.00, 3000.00; T. J. & W. E. Upton, 985.00, 146.32, 75.00, 843.90; W. F. Jameson, 245.00, 2940.00, 133.25; D. J. Slocum, 5000.00; Jas. Angle, 3500.00, 200.00, 75.00, 186.90, 94.16; Thos. H. Wilson, 3000.00, 2735.50. Meyer & Kauffman, 2500.00, 1500.00, 49.26; Lord & Bennett, 85.00, 242.50, 1600.00; G. H. Perkins (*T. A.*), 925.68; J. A. Bush, 497.25 (*check this and the following entry as explained in note above*); Wyman & Fisher, 597.10.

Collection and Exchange, from Teller's Memorandum, 27.85.

Rule, foot and post, as heretofore instructed.

JUNE 21, 18—.

Received advices that the following collections have been paid: No. 878; Coll. & Exch., 50c. No. 879; Coll. & Exch., 50c.

Received from First National Bank of Belfast a draft, No. 8046, on Ninth National Bank, for proceeds of No. 880, less 50c. for collection.

Credit Coll. & Exch., 50c., the difference between our charge and that of Belfast Bank; and credit Chas. J. Burke, 1491.00.

No. 881; Coll. & Exch., 50c. No. 882; Coll. & Exch., 50c.

Credit L. W. Perry, in Transient Accounts, for the proceeds of collection No. 881.

Collection No. 832 has also been paid. (*J.*)

Discounts Nos. 493, 494 and 495 have been paid. (*J.*)

No. 493 was made by one of our depositors, and since his account is good for the amount, we place the note among the checks and charge it up with the checks, at the close of the day. At this time credit Bills Discounted only.

Received the following described paper, from the banks named, for collection. All of the sight drafts were paid upon presentation.

From Third National, Newport, Clark & Co.'s sight draft, dated 19th, on J. H. Rich, for 197.46.

From Exchange National, Bristol, L. M. DePuy's sight draft, dated 20th, on M. W. Cheney, City, for 388.19.

From Wayne County National, J. F. Osgood's note at 90 days from April 19th, indorsed by W. P. Follett, payable at Union Bank, City, for 1385.00.

From Cascade Bank, Portage, Norman Seymour's sight draft, dated 19th, on W. F. Lawrence, City, for 843.90. Remitted draft No. 615, on Chemical Bank, for the proceeds, less 25c. for collection.

From Traders' National, Kingston, Duncan Jones' sight draft, dated 19th, on H. P. Randall, for 246.83. (*C. R., J.*)

The following paper, received on deposit, has been sent to the banks named for our credit: D. J. Slocum's sight draft, dated 20th, on Frank W. Brown, Corning, for 382.00; sent Livingston's Bank, Corning.

Charge Livingston's Bank, in Sundry Banks and Bankers account, for the draft.

Maxwell Day's sight draft, dated 21st, on Wing & Walker, Rockford, for 181.40; sent and charged to First National Bank, Rockford. J. H. Wentworth & Co.'s sight draft, dated 20th, on Holmes & Co., Geneva,, for 23.82; sent Exchange Bank, Geneva.

Charge Sundry Banks for the draft sent Exchange Bank.

Wm. Raymond's sight draft, dated 21st, on H. A. Miller, Lyons, for 392.50; sent Wayne County National. R. L. Mason's sight draft, dated, 21st on M. F. Griffith, Canton, for 49.80; sent Farmers', Canton.

Discounted the following paper: For H. W. Phillips, his note, indorsed by H. Chase and Andrew Springer, for 1000.00, at 30 days from this date, payable at Wayne County National, Lyons. Discount, 5.50; Coll., 1.00; Exch., 1.25. Proceeds paid in cash. (*See note on page 172.*)

For R. L. Mason, Shelby & Co.'s note, at 30 days from the 19th, payable at Norwich National, for 575.00. Discount, 2.97; Coll., 50c.; Exch., 72c.

For Samuel Wilder, Jones & Hardy's note, at 30 days from the 20th, payable at Union Bank, City, for 173.91. Discount, 93c.

For Morgan & Seelye, H: A. Wood's note, indorsed by L. M. Lay, at 20 days from this date, payable at Exchange Bank, City, for 1485.00. Discount, 5.69. Proceeds paid in cash.

Drew the following drafts on Chemical Bank, No. 615, favor Cascade Bank, Portage, for 843.65; Exch., 25c. No. 616, favor Chas. J. Burke, for 9990.00; Exch., 12.50. No. 617, favor R. L. Mason, for 2188.00; Exch., 2.74. No. 618, favor R. W. Bush, for 18.50; Exch., 15c. No. 619, favor A. B. Ward, for 142.00; Exch., 25c. No. 620, favor Jerome Sackett, for 82.19; Exch., 15c.

Remitted Chemical Bank the following drafts and checks on New York, received during the course of to-day's business: No. 8046, First National, Belfast, on Ninth National, 1491.50; No. 1143, Second National, Westboro, on Bowery, 188.63; No. 896, Grangers' Bank, Jackson, on Metropolitan, 864.50; No. 693, Exchange Bank, Norwich, on Sixth National, 92.18; No. 13482, Manufacturers' Bank, Middletown, on Ninth National, 1143.75; No. 132, F. W. Richmond, Goshen, Check on Chemical, 945.00.

Received the following deposits: D. J. Slocum, 1294.11; Wm. Raymond, 2250.00; Maxwell Day, 3960.12; L. J. Farnsworth, 3118.07; Lord & Bennett, 6190.83; T. J. & W. E. Upton, 4114.60; J. H. Wentworth & Co., 8673.95; R. L. Mason, 5000.00.

Paid the following checks: Chas. J. Burke, 10000.00, 546.50, 1850.00; R. L. Mason, 134.65 (note), 5000.00; Jas. Angle, 314.98, 1165.00, 123.16, 85.00; Stillman & Moore, 3500.00, 1492.50; Johnson Mfg. Co., 1122.50, 97.00, 2462.75; Samuel Wilder, 186.42, 1729.03; Bingham, Field & Ward, 916.40, 2422.76; Benjamin Thomas & Son, 10000.00; H. W. Phillips, 992.25 (✓); Morgan & Seelye, 1479.21 (✓).

Collection and Exchange, from Teller's Memorandum, 11.96.

Add, rule and post, as heretofore directed.

JUNE 22, 18—.

Received advices that the following collections have been paid: No. 827: Coll. & Exch., 1.00. No. 828; Coll. & Exch., 50c. No. 829; Coll. & Exch., 25c. No. 830; Coll. & Exch., 50c.

Received from Exchange Bank, Geneva, their draft No. 910, on First National Bank, New York, for proceeds of Collection No. 896. Amount of draft, 863.25; Collection, 25c.

Credit Dunn & Cole, in Transient Accounts account, 863.00; and credit Collection & Exchange account, 25c. Be careful to make the proper check mark in the C. R. Charge Chemical Bank in N. Y. D. R. for Collection No. 828.

Collection No. 834, payable in the city has been paid.

Credit S. H. Lowe, in Transient Accounts, 918.30.

Received from Woodruff's Bank, Livonia, draft No. 317, on Sixth National, for proceeds of Collection No. 891, less their charges for collection.

Credit Woodruff's Bank in Sundry Banks account for 86.40, and debit Collection & Exchange, 12c. The draft on New York will be entered with others in the N. Y. D. R. at the close of the day.

Collection No. 876 has been returned protested, and the drawers, Lord & Bennett, to whom it was credited, have given us their check for its face, 211.50, and the cost of protest, 1.35.

Credit the bank to which it was sent for the total amount, 212.85. L. & B.'s check for the same amount will be charged up with others at close of the day. Mark the collection "Protested" in the "Remarks" column in the C. R.

Collection No. 895 has been returned dishonored.

No entry is required. The paper was received *for collection*, hence it is only necessary to return it to the drawers, Ray Bros. It is not customary to make a charge for our trouble unless the collection is made. Mark it "Returned" or "Ret." in the "Remarks" column in the C. R.

NOTE.—When sight drafts are left for collection, it is customary for the owner to request the bank not to protest it if it is not paid. In such a case a "No Protest" is pinned to the draft, and if not paid it is returned to us and we return it to the owner. When we receive a draft on deposit, we protest it if not paid, to hold the drawer.

Discount No. 496 has been paid.

Discount No. 498, not having been paid, has been protested.

No entry. Mark the note "Protested" in the "Remarks" column in the D. T.

NOTE.—Many banks have an account with Protested Paper, debiting Protested Paper and crediting Bills Discounted for dishonored Bills Discounted; but the custom is becoming general to leave all discounted paper in the Bills Discounted account until it is either paid, a judgment obtained, or it is found to be worthless. In case judgment is obtained, Judgment Account is debited for the entire amount, face of note, interest and costs, and Bills Discounted is credited for face of note, and Interest for the interest upon it. In case the judgment proves to be worthless, Loss and Gain is debited and Judgment credited.

Received advice that Discount No. 491 has been paid.

Received the following described paper, from other banks, for collection and credit, all of which was paid upon presentation: From Wayne County National, W. L. Coot's sight draft on Myron G. Peck, dated 21st, for 934.18, and Henry J. Lansing's sight draft on Maxwell Day, dated 20th, for 74.75. Presented the latter to drawee, who has accepted it, payable at our bank. The draft was placed among the checks. (*See list of checks paid.*)

From Norwich National, Jacob Sterling's sight draft on Newman & Barry, dated 20th, for 13.40.

From First National, Rockford, Dwight Weaver's sight draft on Colton & Manning, dated 21st, for 97.80.

From First National Bank, Jefferson, Homer Sprague's sight draft on Wm. H. Lyon, dated 20th inst., for 114.93. Collected, and remitted our draft No. 621, on Chemical Bank, for 114.78. Collection, 15c. (*C. R. No entry at this time in N. Y. D. R.*)

The following paper received on deposit, payable abroad, has been sent to the banks named for collection: Samuel Wilder's sight draft, dated to-day, on W. D. Jones, Newport, for 136.92; sent to Third National, Newport. James Angle's sight draft, dated to-day, on I. W. Woolson, Bristol, for 23.44; sent Exchange National, Bristol. James Angle's sight draft, dated to-day, on Hurd & Thomas, Canton, for 61.27; sent Farmers' Bank, Canton. (*C. R., J.*)

Received the following paper for collection: From T. J. & W. E. Upton, Warren Lee's note, at 90 days from April 3d, for 500.00, payable at Union Bank, City. From Johnson Mfg. Co., H. Burt's note, at 30 days from June 7th, for 873.40, payable at Lansing's Bank, Lyons; sent Wayne County

National. From David Gray, his sight draft on Geo. H. Newell, Chester, dated this day, for 94.50; sent First National, Chester.

Discounted the following paper. For Henry Sears, Thomas Brooks' note, indorsed by Frank Woodbury & Son, at 30 days from date, payable at Union Bank, City, for 525.00. Discount, 2.89. Paid cash for proceeds.

For Stillman & Moore, Fanning & Peck's note, at 20 days from date, payable at Exchange Bank, City, for 1500.00. Discount, 5.75.

For Wm. Raymond, Ellis & Hayden's note, at 30 days from the 18th inst., payable at First National, Lyons, for 2650.00. Discount, 12.81; Coll., 2.00; Exch., 3.31. Sent Wayne Co. National.

Drew the following drafts on Chemical Bank: No. 621, favor First National, Jefferson, 114.78; Exch., 15c. No. 622, favor D. J. Slocum, 200.00; Exch., 50c. No. 623, favor Johnson Mfg. Co., 3500.00; Exch., 4.38. No. 624, favor J. H. Wentworth & Co., 100.00; Exch., 25c. No. 625, favor L. J. Farnsworth, 3000.00; Exch., 3.75.

Remitted Chemical Bank the following drafts on New York, received among the deposits: No. 1009, Howard's Bank, Dundee, on Bowery, 446.94; No. 464, First National, Preston, on Manufacturers and Traders, 132.29; No. 104, J. H. Clark's Bank, Woodville, on Croton, 273.51; No. 1264, Second National, Plainville, on Ninth National, 2500.00; No. 749, Lamont & Thomas, Morrisville, on Sixth National, 382.46; No. 6891, First National, Williamstown, on Chemical, 11.18; No. 317, Woodruff's Bank, Livonia, on Sixth National, 86.28; No. 910, Exchange Bank, Geneva, on First National, 863.25.

Received the following deposits: Samuel Wilder, 1947.80; D. J. Slocum, 375.00; R. L. Mason, 1200.00; Stillman & Moore, 900.00; Jas. Angle, 1349.62; Lord & Bennett, 4480.00; Bingham, Field & Ward, 682.11; J. H. Wentworth & Co., 2963.42; Benj. Thomas & Son, 1646.92.

Paid the following checks: D. J. Slocum, 182.41, 943.86, 100.00, 200.00; L. J. Farnsworth, 3000.00; Wm. Raymond, 162.50; 394.05, 873.13; Lord & Bennett, 4000.00, 1263.44, 212.85; Johnson Mfg. Co., 3500.00, 150.00, 150.00; J. H. Wentworth & Co., 1829.38, 163.90, 100.00; T. J. & W. E. Upton, 112.73, 986.09, 250.00; Bingham, F. & W., 2150.00; Maxwell Day, 74.75; Henry Sears, 522.11.

Collection and Exchange, from Teller's Memorandum, 23.45.

Add, rule and post, as heretofore directed, after which take trial balance of the Ledgers; of the General Ledger to ascertain whether it is in balance, and of the Deposit Ledger to ascertain whether the difference corresponds with the difference between the sides of the Deposits account in the General Ledger. If correct, your results will agree with those on page 183.

NOTE.—The Deposit Ledger and the Deposit column in the Journal will hereafter be dispensed with, and the Balance Ledger, explained and illustrated on pages 198–201, will be used instead.

Close the accounts in the Deposit Ledger and open them in the Balance Ledger, as explained in 1 and 2, page 199. (*See illustration on pages 200 and 201.*)

JUNE 24, 18—.

Received the following paper, from the banks named, for collection: From Wayne County National Bank, J. E. Hill's sight draft, dated 22d inst., on Samuel Wilder, for 211.92. The drawee accepts the draft upon presentation, payable at our bank. (*C. R. and J.*)

The draft was placed among the checks. See checks below. Credit Wayne County National Bank.

From Norwich National Bank, D. B. Jones' check, dated 21st, on Union Bank, City, for 865.70. (*C. R. and J.*)

Credit Norwich National with face of check.

From Farmers', Canton, Maxwell Day's note, indorsed by Jas. Brackett, for 1250.00, at 30 days from May 25th, payable at our bank, with interest. (*C. R. and C. T.*)

Write "Int." small, over the amount in each book.

From Darrow's Bank, Peoria, Johnson Mfg. Co.'s check, dated 21st, on our bank, indorsed by Klein & Co., for 4500.00. Placed the check among the checks, and remitted Darrow's Bank draft No 626, on Chemical National Bank, for the amount, less 2.81. (*C R.*)

Draft on Chemical National Bank will be entered in N. Y. D. R. with other drafts.

The following sight paper, received on deposit, has been sent to the banks named for our credit: Johnson Mfg. Co.'s sight draft, dated to-day, on J. W. Mead, Lyons, for 423.34; sent Wayne County National. D. J. Slocum's sight draft, dated to-day, on W. G. Shaver, Canton, for 193.42; sent Far-

mers', Canton. J. H. Wentworth & Co.'s sight draft, dated to-day, on P. A. Wood, Kingston, for 345.23; sent Traders' National, Kingston. Case & Weaver's check, dated 22d, on First National, Newport, indorsed by Maxwell Day, for 583.75; sent Third National, Newport. (*C. R. and J.*)

Received the following paper, payable abroad, for collection: From R. L. Mason, J. L. White's note for 285.00, at 2 months from April 26th, payable at Second National Bank, Rockford; sent to First National Bank, Rockford. (*C. R. and C. T.*)

From Meyer & Kauffman, their sight draft, dated to-day, on D. J. Dudley, Bath, for 322.15.

Received advice from Norwich National Bank that collection No. 831 has been paid.

Credit Johnson Mfg. Co., 910.63, in "Deposits" column in B. L. (write the letter C against the amount, to indicate that it is a collection), and Coll. & Exch., 50c., in "Coll. & Exch." column in J. (see J., pages 200–201); and debit Norwich National, 911.13.

Received advice from Farmers' Bank that collection No. 833 has been paid. Coll. & Exch., 1.00.

Collections Nos. 837 and 872 have been paid.

Credit Stillman & Moore, 318.20, in B. L., and Geo. K. Warren & Co., 942.17, in J.

Discount No. 498, which was protested on the 22d, has been paid, with 83c. interest and 1.35 protest charges.

Credit Bills Discounted, 2500.00; Discount, 83c.; and Coll. & Exch., 35c. The remaining 1.00 was paid to the Notary Public for protesting, and requires no entry. Check "P. & E." in the D. T., placing the date over such check.

Discounts Nos. 500 and 501 have been paid.

No. 500 was made by one of our customers and has been placed among the checks. See checks.

Discounted the following paper: For W. F. Jameson, Hardy & Davis' note, at 15 days from date, payable at Union Bank, City, for 2000.00. Discount, 6.00.

For Johnson Mfg. Co., Healy & King's note, at 10 days from date, payable at Woodruff's Bank, Livonia, for 1750.00. Discount, 3.79; Coll., 1.00; Exch., 2.19. Sent to Woodruff's Bank.

Drew the following drafts on Chemical National Bank: No. 626, favor Darrow's Bank, Peoria, for 4497.19; Exch., 2.81. No. 627, favor Johnson Mfg. Co., for 4500.00; Exch., 5.63. No. 628, favor Jas. Angle, for 397.84; Exch., 50c. No. 629, favor Samuel Wilder, for 450.00; Exch., 50c. No. 630, favor Byron Day, for 117.92; Exch., 25c.

Sent the following paper, received during the day, to Chemical National Bank, for our credit: No. 3043, First National, Fort Scott, on Park Bank, 1450.00; No. 1682, Traders' National, Oakland, on Ninth National, 1942.16; No. 1142, Third National, Bancroft, on Metropolitan, 234.91; No. 877, Exchange Bank, Mt. Morris, on Bowery, 116.27; Miners' Bank, Coalburg, No. 229, on Chemical, 386.34.

Received the following deposits: Johnson Mfg. Co., 3118.56; D. J. Slocum, 376.18; Lord & Bennett, 1750.00; J. H. Wentworth & Co., 945.23; T. J. & W. E. Upton, 2115.00; Maxwell Day, 1846.75; Chas. J. Burke, 3500.00. (*B. L. See 5, page 199.*)

Paid the following checks: Samuel Wilder, 450.00, 211.92, 1500.00; Jas. Angle, 397.84, 500.00, 673.60; Bingham, Field & Ward, 6000.00; Stillman & Moore, 725.00, 1293.20, 65.00; Lord & Bennett, 93.42, 846.18; Johnson Mfg. Co., 4500.00; W. F. Jameson, 12000.00; L. W. Perry (*T. A.*), 364.37; Dunn & Cole (*T. A.*), 863.00. (*B. L. See 3 and 4, page 199.*)

Collection & Exchange, from Teller's Memorandum, 7.92.

Rule and foot the Discount Register, as heretofore, and post as instructed in 7 and 18, page 199. Write the letter D against the amounts from the Discount Register, in the "Deposits" column, B. L., to distinguish them from the other credits. Extend, foot and prove the Balance Ledger, as instructed 9–18, page 199; then foot and rule the other books as heretofore; after which post the Journal.

JUNE 25, 18—.

Certified Ray Bros. check for 1500.00.

NOTE.—The teller certifies a check presented for certification, provided the maker's account is good for the amount, and places a slip memorandum on a spindle, giving the name of the maker and the amount of the check. The book-keeper debits the depositor for such check from this slip, and credits Certified Checks account. In posting, it will be necessary to open an account with Certified Checks in the Balance Ledger; see page 200. Debit Certified Checks when a certified check is paid ("Checks in Detail" column, B. L.).

Certificate of Deposit No. 703 has been paid.

Received the following paper, from the banks named, for collection: From Ninth National, New York, A. S. Barnes & Co.'s sight draft on Meyer & Kauffman, dated 22d, for 681.23. Accepted by Meyer & Kauffman and placed among the checks. Remitted Ninth National draft No. 631, on Chemical National, for 680.98. Collection, 25c.

From Norwich National, Avery Childs' check on Union Bank, City, dated 24th, for 318.75. Collected.

From Farmers', Canton, Harvey Miller's sight draft on James Clark & Son, dated 22d, for 464.32. Collected.

From Exchange National, Bristol, Lewis Jenkins' note, indorsed by Hiram Bennett, payable at Union Bank, City, for 921.83, at 30 days from May 25th.

From Manufacturers' Bank, Norwalk, R. L. Mason's note, indorsed by Wm. Phillips, payable at our bank, for 1250.00, at 90 days from March 28th.

The following sight paper, received on deposit, has been sent to the banks named for collection and credit: Samuel Wilder's sight draft on Wellman & Co., Canton, dated to-day, for 326.42; sent Farmers', Canton. Horace Maynard's check on First National Bank, Bath, dated 22d, indorsed by Stillman & Moore, for 211.75; sent to Geo. K. Warren & Co. Ray Brothers' sight draft on Hill & Co., Rockford, dated to-day, for 147.20; sent to First National, Rockford.

Received the following paper, payable abroad, for collection: From T. J. & W. E. Upton, Pomeroy & Wolcott's note, at 30 days from May 30th, for 650.00, payable at National Park Bank, New York; sent Chemical National. From J. H. Wentworth & Co., King & Griffith's note, at 60 days from May 22d, for 871.45, payable at Second National, Lyons; sent Wayne County National, From D. J. Pease, S. B. Bryan's note, at 90 days from April 11th, for 378.75, payable at First National, Newport; sent Third National, Newport.

Received the following drafts, from the banks named, on account: No. 961, Exchange National, Bristol, on Broadway Bank, for 5330.00; No. 2201, Geo. K. Warren & Co., Bath, on Union Trust Co., for 1275.00; No. 487, Third National, Newport, on Bowery Bank, for 3915.00.

Received draft No. 3142, on National Park Bank, New York, from First National, Chester, for proceeds of collection No. 918. Amount of draft, 94.37.

Enter draft in N. Y. D. R. with others at the close of business. Credit David Gray, under "Transient Accounts," 94.25 (B. L.); Coll. & Exch., 12c. (J.)

Charged collection No. 835 to Chemical National, in N. Y. D. R., at its face, and credited W. F. Jameson for the amount, less 50c. collection.

Received advice from Wayne Co. National that collection No. 836 has been paid and credited.

Credit R. L. Mason for the amount, less 25c. collection.

Collection No. 886, payable at our bank, and which was made by one of our depositors, has been placed among the checks.

Received from Second National, Palmyra, their draft No. 1872, on Bowery Bank, for 1799.50, proceeds of Discount No. 497.

Received advice from Third National, Newport, that Discount No. 499 has been paid.

Discount No. 503 has been paid.

Discounted the following paper: For J. H. Wentworth & Co., L. W. Gage's note for 500.00, at 15 days from date, payable at Second National Lyons. Discount, 1.50; Coll., 50c.; Exch., 63c.

For Maxwell Day, Payne & Harris' note for 1620.00, at 10 days from the 24th inst., payable at Union Bank, City. Discount, 3.24.

For Henry L. Fish, his note for 450.00, indorsed by H. Sibley, at 20 days from the 24th inst., payable at our bank. Discount, 1.65. Proceeds paid in cash.

Enter this note in D. R., same as you did similar ones heretofore, only do not check it, and credit "Cashier Account," in "Deposits" column, B. L., at the close of the day.

Drew the following drafts on Chemical National Bank: No. 631, favor Ninth National Bank, for 680.98; Exch., 25c. No. 632, favor Chas. J. Burke, for 900.00; Exch., 1.13. No. 633, favor T. J. & W. E. Upton, for 1200.00; Exch., 1.50. No. 634, favor Lord & Bennett, for 1318.09; Exch., 1.65. No. 635, favor L. J. Farnsworth, for 4250.00; Exch., 5.31. No. 636, favor Maxwell Day, for 93.18; Exch., 15c.

Remitted the following drafts on New York to Chemical National, for our credit: No. 961, Exchange National Bank, Bristol, on Broadway Bank, 5330.00; No. 2201, Geo. K. Warren & Co.'s Bank, Bath, on Union Trust Co., 1275.00; No. 487, Third National Bank, Newport, on Bowery Bank, 3915.00; No. 3142, First National Bank, Chester, on National Park Bank, 94.37; No. 1872, Second National Bank, Palmyra, on Bowery Bank, 1799.50; No. 2344, Chapin's Bank, Newark, on Metropolitan, 692.84; No. 7402, Fourth National Bank, Monroe, on Ninth National, 5000.00; No. 972, Hamilton & Co.'s Bank, Livonia, on Chemical, 244.73.

Received the following deposits: Samuel Wilder, 3241.18; W. F. Jameson, 5162.92; Stillman & Moore, 846.28, Ray Brothers, 1191.71; Meyer & Kauffman, 450.00; Johnson Mfg. Co., 2260.00; Maxwell Day, 1500.00; J. H. Wentworth & Co., 761.50. (*See 5, page 199.*)

Paid the following checks: Benj. Thomas & Son, 10000.00; Chas. J. Burke, 1941.82, 3463.71, 900.00; S. H. Lowe (*T. A.*), 918.30; T. J. & W. E. Upton, 1629.73, 1200.00, 382.61; Lord & Bennett, 693.30, 1318.09; L. J. Farnsworth, 4250.00, 1153.27; Meyer & Kauffman, 681.23; Maxwell Day, 825.00, 113.50, 93.18; Jas. Angle, 1400.00; Thos. H. Wilson, 200.00; Ray Bros., 1500.00; Cashier, 448.35. (*See 3 and 4, page 199.*)

Collection and Exchange, from Teller's Memorandum, 16.85.

Add, rule and post, as directed on page 176.

JUNE 26, 18—.

Received the following paper, from the banks named, for collection:

From First National, Rockford, Garrett, Wilson & Co.'s sight draft on Thos. H. Wilson, dated 25th inst., for 517.35. The drawee accepts it upon presentation, payable at our bank, and we place it among the checks.

From National Exchange Bank, Warsaw, H. A. Strong's check on Union, City, dated 24th, for 642.50. Collected, and remitted draft No. 637, on Chemical, for 642.10. Collection, 40c. (*C. R.*)

From Traders' National, Kingston, F. J. Hinman's sight draft on E. T. Woodford, City, dated 25th, for 17.63. Collected.

The following sight paper, received on deposit, has been sent forward for collection and credit R. L. Mason's sight draft on P. W. Leach, Lyons, dated to-day, for 63.18. T. J. & W. E. Upton's sight draft on Henry D. Warren, Bristol, dated 25th inst., for 143.27. Clark & Hoadley's check on Second National, Bath, dated 24th inst., for 587.61, and indorsed by Jas. Angle. R. L. Mason's sight draft on Benton & Ward, Lebanon, dated to-day, for 1642.18. Sent to First National, Lebanon.

Received the following paper, payable abroad, for collection: From Maxwell Day, Bellows & Co.'s note, for 375.00, at 3 months from April 2d, payable at First National, Lyons, with interest. From Johnson Mfg. Co., P. L. Sill's note, for 1200.00, at 2 months from May 4th, payable at First National, Rockford, with interest. From Samuel Wilder, Alex. Weaver's accepted draft, at 10 days from 22d inst., for 43.12, payable at First National Bank, Canton, and indorsed by Byron Hill.

Received advice that Collection No. 928 has been paid. Collection, 50c.

Discount No. 504 has been charged to the account of the makers.

Certified Chas. J. Burke's check for 1000.00. (*Cr. Certified Checks in B. L.*)

Ray Brothers' check, certified by us on the 25th, has been paid. (*See note on page 176.*)

Issued Certificate of Deposit No. 704 to Wm. P. Simpson, for 1500.00.

Discounted the following paper: For Thos. H. Wilson, his note, dated to-day, indorsed by Walker & Eaton, payable at our bank 10 days from date, for 1000.00.

For W. F. Jameson, Barry & Co.'s note, at 40 days from 13th inst., for 2683.40, payable at First National, Lyons. Coll., 2.00; Exch., 3.35.

For R. L. Mason, his note, indorsed by F. R. Sickles and N. M. French, at 30 days from the 8th for 2500.00, payable at our bank.

For B. J. Blake, his note at 15 days from date, indorsed by J. D. Cox, payable at our bank, for 1800.00. Proceeds paid in cash.

For Benj. Thomas & Son, Horace Bly's note for 943.18, at 10 days from 22d, payable at First National, Canton. Coll., 50c.; Exch., 1.18.

Drew the following drafts on Chemical National Bank: No. 637, favor National Exchange Bank, Warsaw, 642.10; Exch., 40c. No. 638, favor B. H. Clark, 450.00; Exch., 50c. No. 639, favor Johnson Mfg. Co., 1500.00; Exch., 1.88. No. 640, favor T. J. & W. E. Upton, 279.40; Exch., 50c. No. 641, favor Maxwell Day, 622.12; Exch., 75c. No. 642, favor Ray Bros., 212.96; Exch., 50c.

Remitted the following drafts on New York, received during the day, to Chemical National Bank: No. 612, drawn by Third National of Covington, on Ninth National, for 713.42; No. 1046, drawn by Exchange National of Norwich, on Broadway, for 1011.76; No. 4639, drawn by Merchants' National of Harwood, on Bowery, for 12.14; No. 146, drawn by Union National of Greenville, on Chemical, for 319.25; No. 13244, drawn by Cascade Bank, Portage, on Sixth National, for 1320.00.

Received the following deposits: T. J. & W. E. Upton, 1843.19; R. L. Mason, 2876.75; D. J. Slocum, 983.20; Jas. Angle, 1171.55; L. J. Farnsworth, 550.00; Johnson Mfg. Co., 4325.00; Wm. Raymond, 1000; Benj. Thomas & Son, 628.00; Thos. H. Wilson, 652.75.

Paid the following checks: Johnson Mfg. Co., 1500.00, 1074.83, 300.00; Chas. J. Burke, 603.42, 2500.00, 1000.00; T. J. & W. E. Upton, 83.79, 279.40, 500.00; Meyer & Kauffman, 1200.00, 4500.00; Maxwell Day, 622.12, 1741.96; Ray Bros., 160.00, 286.80, 212.96; Bingham, Field & Ward, 3000.00; Thos. H. Wilson, 517.35.; Cashier, 1794.60.

Collection and Exchange, from Teller's Memorandum, 21.65.

JUNE 27, 18—.

Received the following paper, from the banks named, for collection:

From Wayne County National, C. J. Burke's check on our bank, dated 24th, favor Lewis & Co., for 675.00.

From American Exchange Bank, New York, H. B. Claflin & Co.'s sight draft, dated 25th, on T. J. & W. E. Upton, for 526.83. Accepted by drawee upon presentation. Remitted American Exchange Bank our draft, No. 643, on Chemical Bank, for the face of the Collection, less 33c. collection.

From Farmers', Canton, Wood, Winslow & Co.'s sight draft, dated 24th, on Jas. McMahon, City, for 34.47. Paid.

From Commercial Bank, Frankfort, Wm. King & Co.'s note, at 3 months from April 19th, favor John Young, payable at our bank, for 114.50, with interest.

The following sight paper, received on deposit, has been sent forward for collection and credit: H. S. Ball's check, dated 22d inst., on Exchange Bank, Lyons, for 136.25. W. P. Reed's check, dated 20th inst., on Third National Bank, Newport, for 19.42. R. L. Mason's sight draft, dated to-day, on Walker & Davis, Bristol, for 291.20. Johnson Mfg. Co.'s sight draft, dated to-day, on James Turner, Bath, for 644.05.

Received the following paper, payable abroad, for collection: From W. F. Jameson, note of L. J. Weaver, at 2 months from May 21st, for 350.00, with interest, payable at First National Bank, Lyons. From Johnson Mfg. Co., draft, at 10 days from date, for 372.41, on Daniel Bates & Co., Jefferson; sent First National Bank, Jefferson. From H. L. Smith, his sight draft, dated to-day, on E. H. Sanderson, Warsaw, for 27.70; sent Second National Bank, Warsaw.

Collections Nos. 887, 921 and 932, payable in the city, have been paid. Remitted Wisner & Clark's Bank, draft No. 649, on Chemical, for Collection No. 887, less 25c. collection.

Received advice from First National, Rockford, that collection No. 838 has been paid. Coll., 50c.

Discounts Nos. 507, 508 and 540 have been placed among the checks and charged to the accounts of the makers. (*See list of checks, below.*)

Received advice that Discount No. 502 has been paid.

Discounted the following paper: For Ray Bros., Darwin Cook's note, for 320.00, at 10 days from date, payable at Union Bank, City.

For Meyer & Kauffman, L. M. Holman's note, for 1750.00, at 15 days from date, payable at Exchange Bank, City.

For W. F. Jameson, Howard Hart's note, for 5000.00, at 30 days from 3rd inst., payable at Wayne County National Bank. Coll., 5.00; Exch., 6.25.

Drew the following drafts on Chemical Bank: No. 643, favor American Exchange Bank, New York, 526.50; Exch., 33c. No. 644, favor C. J. Burke, 1762.90; Exch., 2.20. No. 645, favor R. L. Mason, 500.00; Exch., 63c. No. 646, favor Johnson Mfg. Co., 2845.00; Exch., 3.56. No. 647, favor Maxwell Day, 92.65; Exch., 25c. No. 648, favor L. W. Manning, 161.00; Exch., 50c. No. 649, favor Wisner & Clark's Bank, 374.75; Exch., 25c.

Remitted the following drafts on New York, received during the day, to Chemical Bank: No. 10042, drawn by First National, Georgetown, on Shoe and Leather, 218.41; No. 1683, drawn by Brown's Bank, Ottawa, on Bowery, 1423.55; No. 7306, drawn by Third National, Newport, on Bowery, 949.83; No. 867, drawn by Clark's Bank, Natchez, on Ninth National, 110.00; No. 14061, drawn by First National, Hastings, on Chemical, 3681.75.

Received the following deposits: Johnson Mfg. Co., 1900.00; Maxwell Day, 575.00; C. J. Burke, 2250.00; R. L. Mason, 843.25; W. F. Jameson, 710.00; Meyer & Kauffman, 1500.00; Thos. H. Wilson, 1486.70; Bingham, Field & Ward, 4831.15.

Paid the following checks: T. J. & W. E. Upton, 1291.22, 75.00, 526.83; Johnson Mfg. Co., 1000.00, 86.40, 175.00; Jas. Angle, 1250.00, 63.84, 211.61; Benj. Thomas & Son, 2000.00; D. J. Slocum, 941.09, 750.00; Maxwell Day, 5000.00, 1256.88; Bingham, F. & W., 3750.00; Wm. Raymond, 1450.00; Chas. J. Burke, 675.00.

Collection and Exchange, from Teller's Memorandum, 17.20.

JUNE 28, 18—.

Received the following paper, from the banks named, for collection:

From Smith & Walker's Bank, Salem, J. W. Lewis' sight draft, dated 25th, on L. H. Parker, for 168.16. Collected. Remitted draft No. 650, on Chemical Bank, for the amount, less 12c. collection.

From Exchange National, Bristol, Chas. J. Burke's check, dated 24th inst., favor Henry Wood, for 365.00; and Bardwell & Green's sight draft, dated 27th inst., on Benj. Simpson, for 217.15. Collected.

From Farmers', Canton, John Mead's sight draft, dated 26th inst., on Wm. Raymond, for 619.05. Accepted, payable at our bank.

The following sight paper, received on deposit, has been sent forward for collection and credit: W. F. Manning's check, dated 24th inst., on Second National, Rockford, favor J. B. Glass, for 369.44. Chas. J. Burke's sight draft on D. W. Buckley, Lyons, for 1642.18. Johnson Mfg. Co.'s sight draft on M. S. Little & Co., Bath, for 993.72.

Received the following paper, payable abroad, for collection: From D. B. Clark, Lansing Wetmore's note, at 3 months from April 6th, for 500.00, with interest, payable at First National, Lyons. From R. L. Mason, Julius Townsend's note, at 2 months from May 9th, for 163.50, with interest, payable at Ninth National, New York. From Jas. Angle, his draft, at 10 days from date, on Willard Hodges, Belleville, for 300.00.

Received advice from Norwich National, that Collection No. 859 has been paid. Coll. & Exch., 1.00.

Discount No. 509 has been paid.

Received from First National, Auburn, their draft No. 1794, on Fifth National, New York, for the proceeds of Discount No. 505. Face of draft, 3877.43.

Discounted the following paper: For Geo. W. Holmes, Brown & Co.'s note, indorsed by Hiram Sibley, at 10 days from date, for 750.00, payable at Union Bank, City. Discount, 1.63. Proceeds paid in cash.

For W. F. Jameson, Peter Waterman's note, at 12 days from 25th inst., for 3750.00, payable at Exchange Bank, Lyons. Discount, 7.50; Coll., 3.00; Exch., 4.69.

For Johnson Mfg. Co., Wilson & Barry's note, at 45 days from May 24th, for 2461.90, payable at Third National, Rockford. Discount, 4.10; Coll., 2.00; Exch., 3.08.

Drew the following drafts on Chemical Bank: No. 650, favor Smith & Walker's Bank, Salem, 168.04; Exch., 12c. No. 651, favor C. J. Burke, 1822.19; Exch., 2.28. No. 652, favor L. P. Walters, 375.00; Exch., 50c. No. 653, favor Johnson Mfg. Co., 5000.00; Exch., 6.25. No. 654, favor R. L. Mason, 1475; Exch., 1.84.

Remitted the following drafts on New York to Chemical Bank, for our credit: No. 914, drawn by First National Bank, Peru, on Bowery, 692.40; No. 3027, drawn by Livingston's, Corning, on American Exchange, 1945.00; No. 1346, drawn by Cook's Bank, Havana, on Metropolitan, 4921.16; No. 14064, drawn by First National, Albion, on Broadway, 1200.00; No. 871, drawn by Warner's Bank, Holley, on Third National, 750.00; No. 1795, drawn by First National, Auburn, on Fifth National, 3877.43.

Received the following deposits: T. J. & W. E. Upton, 1800.00; Benj. Thomas & Son, 1394.20; Johnson Mfg. Co., 3500.00; D. J. Slocum, 891.14; Bingham, Field & Ward, 1640.72; Maxwell Day, 4000.00; L. J. Farnsworth, 174.80; Chas. J. Burke, 2187.55.

Paid the following checks: Johnson Mfg. Co., 162.35, 794.18, 1500.00; L. J. Farnsworth, 562.82; C. J. Burke, 675.00, 183.71, 2000.00, 365.00; Meyer & Kauffman, 1628.50, 445.00; R. L. Mason, 942.61; W. F. Jameson, 500.00, 63.44; Thos. H. Wilson, 2463.21, 185.00, 50.00; Wm. Raymond, 619.05. Cashier, 748.37.

Collection and Exchange, from Teller's Memorandum, 24.65.

JUNE 29, 18—.

Received from Livingston's Bank, Corning, drafts Nos. 4121 and 4122, on American Exchange, for amount due on collections Nos. 877 and 903, less 25c. collection on each. Also, from Exchange Bank, Geneva, draft No. 1105, on First National, New York, for amount of collection No. 905, 23.82, less 13c. collection.

Received the following paper, from the banks named, for collection: From Wayne County National, D. W. Hatch & Son's sight draft on T. J. & W. E. Upton, dated 28th inst., for 293.41; accepted. From Farmers', Canton, Maxwell Day's check on our bank, dated 25th inst., favor H. S. Jones, for 476.62. From Wheeler's Bank, Livonia, Chas. J. Burke's note, at 6 months from January 5th, favor Henry Damon, payable at our bank, for 5000.00. From Geo. K. Warren & Co., Loren Simpson's sight draft on Ward & Davis, dated 27th inst., for 609.20; paid.

The following sight paper, received on deposit, has been sent forward for collection and credit: Carroll & Son's check on First National Bank, Bath, favor Johnson Mfg. Co., for 648.11. Meyer & Kauffman's sight draft on H. S. Lawrence, Rockford, for 34.18. Wm. Raymond's sight draft on Noble & Savage, Lyons, for 563.64. Homer Baldwin's sight draft on King & Boyd, Bristol, for 439.75.

Received the following paper, payable abroad, for collection: From W. F. Jameson, Hiram Short's note, at 30 days from June 13th, payable at First National, Lyons, for 575.35. From Maxwell Day, his sight draft on Ranney & Co., Belmont, for 132.91. From Johnson Mfg. Co., their sight draft on Perry Meal, New York, for 747.42.

Collections Nos. 840, 841 and 933, payable in the city, have been paid.

Remitted our draft No. 660, on Chemical Bank, to Manufacturers' Bank, Norwalk, for collection No. 933, less 1.28 for collection.

Discounts Nos. 511, 513 and 530, payable in the city, have been paid.

Received advice from Farmers', Canton, that Discount No. 506 has been paid.

Discounted the following paper: For C. J. Burke, H. S. Day's note, at 10 days from 28th inst., payable at Union Bank, City, for 3250.00. Discount, 6.50.

For Maxwell Day, Slocum & Heald's note, at 15 days from date, payable at Exchange Bank, City, for 1846.92. Discount, 5.54.

For Johnson Mfg. Co., Hoadley & Cain's note, at 30 days from 26th inst., payable at First National, Bath, for 4825.00. Discount, 24.13; Coll., 4.00; Exch., 6.03.

For L. J. Farnsworth, Mulligan & Foley's note, at 60 days from May 25th, payable at First National, Canton, for 1286.16. Discount, 6.00; Coll., 1.00; Exch., 1.61.

Drew the following drafts on Chemical National Bank: No. 655, favor Johnson Mfg. Co., 1000.00; Exch., 1.25. No. 656, favor LeRoy Brown, 842.42; Exch., 1.05. No. 657, favor W. F. Jameson, 928.61; Exch., 1.16. No. 658, favor Chas. Cook, 31.19; Exch., 15c. No. 659, favor R. L. Mason, 225.00; Exch., 50c. No. 660, favor Manufacturers' Bank, Norwalk, 1248.72; Exch., 1.28.

Remitted the following drafts on New York to Chemical Bank, for our credit: Nos. 4121 and 4122, drawn by Livingston's, Corning, on American Exchange, for 381.75 and 275.25; No. 1105, drawn by Exchange, Geneva, on First National, for 23.69; No. 8302, drawn by First National, Homer, on Metropolitan, for 116.92; No. 1226, drawn by Clark's Bank, Benton, on Bowery, for 1048.62; No. 2491, drawn by First National, Millport, on National Park, for 2689.70.

Received the following deposits: Johnson Mfg. Co., 4942.11; W. F. Jameson, 660.00; Meyer & Kauffman, 1042.20; Thos. H. Wilson, 2581.10; Wm. Raymond, 1500.00; Bingham, Field & Ward, 4000.00; Chas. J. Burke, 651.71.

Paid the following checks: L. J. Farnsworth, 84.16, 327.92; Chas. J. Burke, 1500.00; Johnson Mfg. Co., 1896.17, 500.00, 118.50; Maxwell Day, 476.62, 69.35; D. J. Slocum, 632.56, 85.00; Bingham, Field & Ward, 1000.00; T. J. & W. E. Upton, 100.00, 83.50, 1220.00, 293.41; R. L. Mason, 1250.00; David Gray (*T. A.*), 94.25; Benj. Thomas & Son, 750.00, 845.06, 430.00. (*See 11, page 199.*)

Remitted National Park Bank, currency, 50000.00.

Paid Salaries for the month, as follows: Cashier, 200.00; Teller, 150.00; Bookkeeper, 100.00; Assistant Bookkeepers, 75.00, 50.00; Messenger, 25.00; Janitor, 25.00.

Collection and Exchange, from Teller's Memorandum, 26.20.

After posting the work of this day, you will take a trial balance of the General Ledger, and also ascertain whether the footing of the "Balance" column in the Balance Ledger for this day (deducting overdrafts, as explained in 15, page 199) corresponds with the difference between the sides of the Deposits account in the General Ledger. In addition to the trial balance mentioned, a statement of the condition of the bank should be made from your books, which should agree with the following:

STATEMENT OF SECOND NATIONAL BANK,

AT CLOSE OF BUSINESS, SATURDAY, JUNE 29, 18—

Cash,		84083	25	Capital Stock,		200000	
United States Bonds,		100000		Circulation,		90000	
Real Estate,		24500		Discount,		6794	32
Furniture and Fixtures,		2500		Collection and Exchange,		2664	38
Expense,		3320	37	Surplus Fund,		31750	63
Loans and Discounts,		163105	90	Undivided Profits,		5718	42
Redemption Fund,		4500		Due Depositors,		235806	39
Due from other Banks,		191199	48	Due Traders' National, Kingston,		474	86
National Park Bank, N. Y.,	76523.85						
Chemical National, N. Y.,	84280.29						
Wayne Co. National, Lyons,	9177.83						
Geo. K. Warren & Co., Bath,	2817.98						
First National, Rockford,	3027.80						
Norwich National, Norwich,	1426.20						
Farmers', Canton,	4574.05						
Third National, Newport,	6353.36						
Exchange National, Bristol,	1375.94						
First National, Lebanon,	1642.18						
		573209				573209	

You will next close all accounts exhibiting gains and losses into the Loss and Gain account, except Real Estate and Furniture and Fixtures, which are inventoried at cost.

The net profit in a business conducted by a corporation is of course the property of the stockholders; but the laws governing National Banks require that ten per cent. of the profits shall be carried to the Surplus Fund, till such fund shall amount to twenty per cent. of the capital stock of the bank. And it is usual to divide such a part of the remainder as will make an even per cent. upon the amount of the capital stock, making the per cent. large enough to nearly consume the amount of profit, and carrying the balance to the credit of Undivided Profits account. Such amount to be divided among the stockholders is called a Dividend. Each stockholder receives such a share of the dividend as his stock is of the entire capital stock.

You will therefore, as illustrated below, close the Loss and Gain account into Surplus Fund account, Dividend account and Undivided Profits account, by a Journal entry, crediting Surplus Fund account 613.83, and Dividend account 5000.00, which will amount to 2½ per cent. upon the capital stock, and crediting Undivided Profits account for 524.50, the remainder of the net profit, as shown by the balance of Loss and Gain account.

The following table contains the names of stockholders and the amount of their stock:

Chas. J. Burke,	300	shares of	100.00	each,	30000.00.
W. F. Jameson,	250	"	100.00	"	25000.00.
R. L. Mason,	250	"	100.00	"	25000.00.
D. J. Slocum,	200	"	100.00	"	20000.00.
Jas. Angle,	200	"	100.00	"	20000.00.
Thos. H. Wilson,	175	"	100.00	"	17500.00.
Wm. Raymond,	175	"	100.00	"	17500.00.
Maxwell Day,	150	"	100.00	"	15000.00.
Samuel Wilder,	150	"	100.00	"	15000.00.
L. J. Farnsworth,	150	"	100.00	"	15000.00.

Since all of the stockholders are depositors, the dividend of each may be posted to his account in the Balance Ledger on the next business day.

The proper Journal entries for closing the Loss and Gain account, and also for dividing the dividend among the stockholders, are given below. They should be made under date of June 29th, and immediately following the work already entered under that date, added and posted, and the Journal again ruled.

SATURDAY, JUNE 29, 18—.

Surplus Fund,			613	83	Loss and Gain,	6138	33
Dividend,			5000				
Undivided Profits,			524	50			
			6138	33		6138	33

NOTE.—When the dividend is credited to the stockholders or paid to them in cash, Dividend account should be credited in the Journal for the amount thus credited or paid.

BALANCES, GENERAL LEDGER, JUNE 22.

		Capital Stock, - - -	200000	00
112240	45	Cash, - - - -		
100000	00	U. S. Bonds, - - -		
		Circulation, - - -	90000	00
24500	00	Real Estate, - - -		
2500	00	Furniture and Fixtures,		
2695	37	Expense, - - - -		
26523	85	National Park, - -		
		Deposits, - - - -	232206	37
189247	75	Bills Discounted, - -		
		Interest and Discount, -	6679	82
		Collection and Exchange,	2452	17
74751	27	Chemical National, - -		
2236	96	G. K. Warren & Co., -		
2201	80	First National, Rockford, -		
7402	67	Wayne Co. National, -		
3620	13	Farmers' National, - -		
7915	19	Third National, Newport,		
7335	70	Exchange National, Bristol,		
597	54	Traders' Nat'l, Kingston,		
		Surplus Fund, - - -	31750	63
4500	00	Redemption Fund, -		
		Norwich National, - -	142	59
		Undivided Profits, -	5718	42
681	32	Sundry Banks and Bankers,		

BALANCES, DEPOSIT LEDGER, JUNE 22.

6835	50	W. F. Jameson, -	20496	32	13660	82
12396	50	Chas. J. Burke, -	44861	86	32465	36
16413	83	R. L. Mason, - -	35860	53	19446	70
8543	90	D. J. Slocum, -	10921	75	2377	85
15480	00	Stillman & Moore, -	27959	31	12479	31
7481	45	James Angle, -	17783	30	10301	85
17436	36	Thomas H. Wilson,	18453	51	1017	15
10088	62	Ray Brothers, - -	16740	31	6651	69
8409	26	Meyer & Kauffman,	18555	46	10146	20
28410	46	Johnson Mfg. Co., -	44455	00	16044	54
6802	18	Wm. Raymond, -	12028	20	5226	02
10074	75	Maxwell Day, - -	16694	74	6619	99
6673	50	Samuel Wilder, -	24809	81	18136	31
3000	00	L. J. Farnsworth, -	12106	57	9106	57
12868	29	Bingham, F. & W.,	22089	79	9221	50
10000	00	Benj. Thomas & Son,	21060	75	11060	75
16193	59	Lord & Bennett, -	30717	31	14523	72
4041	73	T. J. & W. E. Upton,	21822	01	17780	28
925	68	Transient Accounts,	3071	35	2145	67
		Certificates of Dep't,	3000	00	3000	00
2093	28	J. H. Wentworth, -	12887	37	10794	09

After you have completed the work upon your books, present them to the teacher for inspection, and prepare for a written examination in book-keeping, questions for which will be furnished by the teacher—selected from the questions for review given throughout the book. You will also be required to make the Journal entries for a variety of transactions, and to draw forms of business paper, as Letter, Bill, Invoice of Shipment, Account of Sales, Note, Draft, Check, Certificate of Deposit, etc.

JOURNAL.

MONDAY,

		COLL. & EXCH.		DEPOSITS.		GENERAL.	
Bills Discounted,	8750,					8750	
Lord & Bennett,	1285^{50},			1285	50		
Samuel Wilder,	976,			976			
Johnson Mfg. Co.,	2875,			2875			
Stillman & Moore,	1872^{25},			1872	25		
Chas. J. Burke,	5460,			5460			
James Angle,	375,			375			
W. F. Jameson,	926^{14},			926	14		
D. J. Slocum,	432^{12},			432	12		
Ray Brothers,	856^{11},			856	11		
Wm. Raymond,	1756^{23},			1756	23		
L. J. Farnsworth,	493^{92},			493	92		
Benj. Thomas & Son,	1250,			1250			
T. J. & W. E. Upton,	2115,			2115			
Chemical Nat. Bank,	16381^{25},	20	78			16381	25
		7	25				
						28	03
Coll. & Exch.,		28	03				
Deposits,				20673	27	20673	27
						45832	55

TUESDAY,

		COLL. & EXCH.		DEPOSITS.		GENERAL.	
R. L. Mason,	584^{25},		50	584	25		
Stillman & Moore,	1249,	1		1249			
Meyer & Kauffman,	550, 215,			765			
Bills Discounted,	10000, 1500, 500,					12000	
Norwich Nat. Bank,	4150,					4150	
Exch. Nat., Bristol,	493^{18},					493	18
Traders' N., Kingston,	573^{90},					573	90
First Nat., Rockford,	2500,					2500	
Geo. K. Warren & Co.,	1500,					1500	
T. J. & W. E. Upton,	1175,			1175			
Benj. Thomas & Son,	435^{57},			435	57		
Bingham, Field & W.,	2850,			2850			
Samuel Wilder,	894^{13},			894	13		
Maxwell Day,	948^{75},			948	75		
Johnson Mfg. Co.,	3480,			3480			
Thos. H. Wilson,	2294^{18},			2294	18		
James Angle,	1840,			1840			
D. J. Slocum,	486^{78},			486	78		
W. F. Jameson,	1500,			1500			
Chemical Nat. Bank,	16897,	15	75			16897	
		6	94				
Coll. & Exch.,		24	19			24	19
Deposits,				18502	66	18502	66
						56640	93

JOURNAL.

JUNE 17, 18—.

		DEPOSITS.		GENERAL.	
Bingham, Field & Ward,	375, 926^{50}, 1000,	2301	50		
Lord & Bennett,	2118, 325^{00}, 92^{75},	2535	75		
Samuel Wilder,	2025, 37^{50}, 325, 150,	2537	50		
Wm. Raymond,	200, 480, 3115,	3795			
Meyer & Kauffman,	4275, 85,	4360			
Thos. H. Wilson,	10000,	10000			
Stillman & Moore,	2500, 187^{50}, 300,	2987	50		
R. L. Mason,	3250, 132, 247^{18},	3629	18		
W. F. Jameson,	2000, 342^{25}, 1175,	3517	25		
Chemical National Bank,	7428^{09},			7428	09
Deposits,		35663	68	35663	68
				43091	77

JUNE 18, 18—.

		DEPOSITS.		GENERAL.	
Wayne Co. Nat. Bank,	584^{75}, 1500, 225,			2309	75
Farmers' Bank, Canton,	1250,			1250	
Collection & Exchange,	^{50},				50
Exchange National, Bristol,	2800,			2800	
Traders' National, Kingston,	340,			340	
First National, Rockford,	1350,			1350	
Lord & Bennett,	2500, 1142^{00}, 177^{14},	3819	94		
Bingham, Field & Ward,	132^{40}, 1892^{18}, 450,	2474	58		
Wm. Raymond,	1000, 437^{50}, 140,	1577	50		
Johnson Manufacturing Co.,	6450, 573^{90},	7023	90		
Maxwell Day,	10000,	10000			
Ray Brothers,	115, 973^{62}, 4500,	5588	62		
Thomas H. Wilson,	56^{75}, 1394^{11}, 250,	1700	86		
Stillman & Moore,	7500,	7500			
R. L. Mason,	4250, 3400,	7650			
Expense,	12^{18},			12	18
Chemical National Bank,	7894^{43},			7894	43
Deposits,		47335	40	47335	40
				63292	26

JOURNAL.

WEDNESDAY,

		COLL. & EXCH.		DEPOSITS.		GENERAL.	
T., J. & W. E. Upton,	119^{25},		50	119	25		
R. L. Mason,	8219^{40}, 432,		50	8651	40		
Wm. Raymond,	368^{40}, 775, 143^{40},		50	1286	80		
Thos. H. Wilson,	1800, 820^{99},		50	2620	99		
G. H. Perkins (T. A.),	925^{68},		50	925	68		
Bills Discounted,	9000, 10500, 15000, 5000,		50			39500	
First Nat. Rockford,	1455,					1455	
Farmers' Bank	32^{18},					32	18
Wayne Co. N. Bank.,	5000,					5000	
Third Nat., Newport,	1287^{19},					1287	19
Lord & Bennett,	3000,			3000			
Benj. Thomas & Son,	1790,			1790			
L. J. Farnsworth,	315,			315			
Johnson Mfg. Co.,	5275,			5275			
Ray Brothers,	2910.			2910			
Stillman & Moore,	6150,			6150			
Chas. J. Burke,	3926^{42},			3926	42		
Chemical Nat. Bank,	11721^{26},	10	79			11721	26
		16	92				
Coll. & Exch.,		30	71			30	71
Deposits,				36970	54	36970	54
						95996	88

THURSDAY,

		COLL. & EXCH.		DEPOSITS.		GENERAL.	
Samuel Wilder,	943^{92}, 63^{67},		25	1007	59		
Bingham, Field & W.,	215^{75}, 550,		50	765	75		
Ray Brothers,	1490^{66},	1		1490	66		
Jas. Angle,	754^{13}, 2873,			3627	13		
Bills Discounted,	7500, 3000,					10500	
Certificates of Deposit,	3000,			3000			
Farmers' Bank,	94^{16},					94	16
Wayne Co. National,	873^{25},					873	25
Norwich National,	162^{11},					162	11
W. F. Jameson,	584,			584			
D. J. Slocum,	1395^{18}			1395	18		
Thos. H. Wilson,	843^{10},			843	10		
Meyer & Kauffman,	4200,			4200			
Johnson Mfg. Co.,	5125,			5125			
Benj. Thomas & Son,	1975,			1975			
Lord & Bennett,	2400,			2400			
J. H. Wentworth & Co.,	1250,			1250			
Chemical Nat. Bank,	11836^{87},	15	16			11836	87
		27	85				
Coll. & Exch.,		44	76			44	76
Deposits,				27663	41	27663	41
						51174	56

JOURNAL.

JUNE 19, 18—.

		DEPOSITS.		GENERAL.	
First National, Rockford,	143^{90},			143	90
Geo. K. Warren & Co.,	821^{49},			821	49
Norwich National,	368^{90}, 3000,			3368	90
Farmers' Bank,	926^{18},			926	18
Collection & Exchange,	5^{25},			5	25
Wayne Co. National,	211^{50},			211	50
Livingston's Bank (S. B.),	275^{50},			275	50
T. J. & W. E. Upton,	242^{69}, 400,	642	69		
Lord & Bennett,	52^{75}, 146^{90}, 2234^{46},	2434	11		
Bingham, Field & Ward,	824^{50}, 640, 1138^{55},	2603	05		
Samuel Wilder,	2134^{30}, 86^{25},	2220	55		
Johnson Mfg. Co.,	896^{81}, 27^{50}, 6000,	6924	31		
Ray Brothers,	4500,	4500			
Jas. Angle,	1690, 47^{25},	1737	25		
D. J. Slocum,	75, 1792^{63}, 250,	2117	63		
Chemical National Bank,	25174^{56},			25174	56
Deposits,		23179	59	23179	59
				54106	87

JUNE 20, 18—.

			DEPOSITS.		GENERAL.	
	Third National, Newport,	63^{92}, 346^{94},			410	86
	Farmers', Canton,	216^{25},			216	25
	First National, Rockford,	1491^{66}, 34^{17},			1525	83
	Wayne Co. National,	7500,			7500	
	Traders' Nat., Kingston,	194^{50},			194	50
	Woodruff's Bank (S. B.),	86^{40},			86	40
	Geo. K. Warren & Co.	732^{81},			732	81
	Exchange Nat., Bristol,	17^{39},			17	39
✓	J. A. Bush,	497^{25},	497	25		
✓	Wyman & Fisher,	597^{10},	597	10		
	Johnson Mfg. Co.,	1000, 396, 2584, 3000,	6980			
	T. J. & W. E. Upton,	985, 146^{32}, 75, 843^{90},	2050	22		
	W. F. Jameson,	245, 2940, 133^{25},	3318	25		
	D. J. Slocum,	5000,	5000			
	Jas. Angle,	3500, 200, 75, 186^{90}, 94^{16},	4056	06		
	Thos. H. Wilson,	3000, 2735^{50},	5735	50		
	Meyer & Kauffman,	2500, 1500, 49^{26},	4049	26		
	Lord & Bennett,	85, 242^{50}, 1600,	1927	50		
	G. H. Perkins (T. A.),	925^{68},	925	68		
	Chemical National Bank,	4615^{04},			4615	04
	Deposits,		35136	82	35136	82
					50435	90

JOURNAL.

FRIDAY,

		COLL. & EXCH.		DEPOSITS.		GENERAL.	
D. J. Slocum,	148^{04}, 1294^{11},		50	1443	05		
Samuel Wilder,	856^{40},		50	856	40		
Chas. J. Burke,	1491,		50	1491			
L. W. Perry (T. A.),	364^{37},		50	364	37		
Thos. H. Wilson,	182,		50	182			
Bills Discounted,	1500, 5000, 2876^{90},					9376	90
Third Nat., Newport,	197^{46},					197	46
Exch. Nat., Bristol,	388^{19},					388	19
Traders' N., Kingston,	246^{83},					246	83
Wm Raymond,	2250,			2250			
Maxwell Day,	1350, 3960^{12},			5310	12		
L. J. Farnsworth,	3118^{07},			3118	07		
Lord & Bennett,	6190^{83},			6190	83		
T. J. & W. E. Upton,	4114^{60},			4114	60		
J. H. Wentworth & Co.,	8673^{95},			8673	95		
R. L. Mason,	5000,			5000			
Chemical Nat. Bank,	13264^{34},	16	04			13264	34
		11	96				
Coll. & Exch.,		30	50			30	50
Deposits,				38994	39	38994	39
						62498	61

SATURDAY,

		COLL. & EXCH.		DEPOSITS.		GENERAL.	
Lord & Bennett,	1499, $448.^{0}$,	1		5979			
Chas. J. Burke,	957^{15},		50	957	15		
D. J. Slocum,	88^{15}, 375,		25	463	15		
Jas. Angle,	395^{65}, 1349^{62},		50	1745	27		
Dunn & Cole (T. A.),	863,		25	863			
S. H. Lowe (T. A.),	918^{30},			918	30		
Woodruff's Bank (S.B.)	86^{40},					86	40
Wayne Co. N., Lyons,	212^{65}, 74^{75}, 934^{81},					1221	78
Bills Discounted,	2150, 7200,					9350	
Norwich National,	13^{40},					13	40
First Nat., Rockford,	97^{80},					97	80
Samuel Wilder,	1947^{80},			1947	80		
R. L. Mason,	1200,			1200			
Stillman & Moore,	900,			900			
Bingham, Field & W.,	682^{11},			682	11		
J. H. Wentworth & Co.,	2963^{42},			2963	42		
Benj. Thomas & Son,	1646^{92},			1646	92		
Chemical Bank,	6914^{78},	9	03			6914	78
		23	45				
Coll. & Exch.,		34	98			34	98
Deposits,				20266	12	20266	12
						37985	26

JOURNAL.

JUNE 21, 18—.

			DEPOSITS.		GENERAL.	
	Wayne Co. National, Lyons,	149^{44}, 392^{50},			541	94
	Farmers' Bank, Canton,	856^{90}, 49^{80},			906	70
	Third Nat., Newport,	364^{87},			364	87
	First National, Rockford,	181^{40}, 182^{50},			363	90
	Livingston's Bank (S. B.),	382,			382	
	Exch. Bank, Geneva (S. B.),	23^{82},			23	82
	Chas. J. Burke,	10000, 546^{50}, 1850,	12396	50		
	R. L. Mason,	134^{65}, 5000,	5134	65		
	Jas. Angle,	314^{98}, 1165, 123^{16}, 85,	1688	14		
	Stillman & Moore,	3500, 1492^{50},	4992	50		
	Johnson Mfg. Co.,	1122^{50}, 97; 2462^{75},	3682	25		
	Samuel Wilder,	186^{42}, 1729^{03},	1915	45		
	Bingham, Field & Ward,	916^{40}, 2422^{76},	3339	16		
	Benj. Thomas & Son,	10000,	10000			
	Chemical National Bank,	4725^{56},			4725	56
✓	H. W. Phillips,	992^{25},	992	25		
✓	Morgan & Seelye,	1479^{31},	1479	31		
	Deposits,		45620	21	45620	21
					52929	

JUNE 22, 18—.

			DEPOSITS.		GENERAL.	
	Exch. National, Bristol,	1500, 23^{44},			1523	44
	Wayne Co. Nat., Lyons,	88^{40},			88	40
	Geo. K. Warren & Co.,	396^{15},			396	15
	Collection & Exch.,	^{12},				12
	Third National, Newport,	136^{92}, 7200,			7336	92
	Farmers', Canton,	61^{27},			61	27
	D. J. Slocum,	182^{--}, 943^{86}, 100, 200,	1426	27		
	L. J. Farnsworth,	3000,	3000			
	Wm. Raymond,	162^{50}, 394^{05}, 873^{13},	1429	68		
	Lord & Bennett,	4000, 1263^{44}, 212^{85},	5476	29		
	Johnson Mfg. Co.,	3500, 150, 150,	3800			
	J. H. Wentworth & Co.,	1829^{18}, 163^{90}, 100,	2093	28		
	T. J. & W. E. Upton,	112^{73}, 986^{09}, 250,	1348	82		
	Bingham, Field & Ward,	2150,	2150			
	Maxwell Day,	74^{75},	74	75		
✓	Henry Sears,	522^{11},	522	11		
	Chemical National Bank,	5653^{96},			5653	96
	Deposits,		21321	20	21321	20
					36381	46

DISCOUNT REGISTER.

When Disc'd.		No.	MAKER.	ENDORSERS.	Page of B. B.	WHERE PAYABLE.	DATE.	
June	17	528	J. D. Winslow.	Chas. J. Burke.		Exch'ge, City.	June	17
		529	H. Whitaker.	D. J. Slocum.		1st N., Lyons.		15
		530	A. M. Hastings.	Samuel Wilder.		Union, City		17
		531	Johnson Mfg. Co.	Freeman Clarke.		Our Bank.		17
	18	532	P. L. Paine.	Johnson Mfg. Co.		1st N., Lyons.	June	15
		533	D. H. Davis.	Maxwell Day.		Woodr'ff's, Liv.	April	15
		534	Isaac Willis.	Samuel Wilder.		Farmers', Cant.	May	10
		535	J. D. Shultz.	Thos. H. Wilson.		C's B'k, Rich.	June	18
		536	T. G. Lord.	R. L. Mason.		Norwich Nat.	M'ch	9
	19	537	Ward & Cobb.	J. Jackson, Jr., D. J. Slocum.		2d Nat., Lyons.	June	19
		538	Young & Baldwin.	Jas. Angle.		Union, City.		19
		539	T. K. Scott.	L. J. Farnsworth.		Exch'ge, City.		15
		540	Wm. Raymond.	Bingham, Field & Ward.		Our Bank.		19
		541	Meyer & Kauffman.	W. M. Bond.		Our Bank.		19
	20	542	Havens & Co.	R. L. Mason.		Union, City.	June	20
		543	Samuel Wilder.	J. A. Lindsay.		Our Bank.		19
		544	Robert Moore.	Meyer & Kauffman.		1st N., Lyons.		20
		545	Philip Warner.	J. A. Bush, John Rice.		Union, City.		20
		546	Wyman & Fisher.	J. H. Price.		Farmers', Cant.		16
		547	Darwin & Kent.	Johnson Mfg. Co.		Norwich Nat.		16
	21	548	H. W. Phillips.	Henry Chase, A. Springer.		W.C.N. Lyons.	June	21
		549	Shelby & Co.	R. L. Mason.		Norwich Nat.		19
		550	Jones & Hardy.	Samuel Wilder.		Union, City.		20
		551	H. A. Wood.	L. M. Lay, Morgan Seelye.		Exch'ge, City.		21
	22	552	Thomas Brooks.	H. Sears, F. Woodbury & Son.		Union, City.	June	22
		553	Fanning & Peck.	Stillman & Moore.		Exch'ge, City.		22
		554	Ellis & Hayden.	Wm. Raymond.		1st N., Lyons.		18

DISCOUNT REGISTER.

TIME.	WHEN DUE.		FACE OF PAPER.		DISCOUNT.		COLL. & EX.		PROCEEDS.		Tickler Check.	FOR WHOM DISCOUNTED.	Pay'r Check.	REM'KS.
30 da.	July	20	858	90	4	72			854	18		Chas. J. Burke.		
1 mo.		18	1250		6	46	2	56	1240	98		D. J. Slocum.		
10 da.	June	30	3875		8	40			3866	60		Samuel Wilder.		
30 da.	July	20	5000		27	50			4972	50		Johnson Mfg. Co.		
			10983	90	47	08	2	56	10934	26				
30 da.	July	18	4325		21	63	9	41	4293	96		Johnson Mfg. Co.		
3 mo.		18	1500		7	50	2	88	1489	62		Maxwell Day.		
60 da.		12	2394	80	9	58	4	98	2380	24		Samuel Wilder.		
1 mo.		21	398	50	2	19	1		395	31		Thos. H. Wilson.		
4 mo.		12	960		3	84	1	70	954	46		R. L. Mason.		
			9578	30	44	74	19	97	9513	59				
30 da.	July	22	3000		16	50	6	75	2976	75		D. J. Slocum.		
15 da.		7	380		1	14			378	86		Jas. Angle.		
1 mo.		18	1800		8	70			1791	30		L. J. Farnsworth.		
5 da.	June	27	1450		1	93			1448	07		Bingham, F. & W.		
20 da.	July	12	2000		7	67			1992	33		Meyer & K.		
			8630		35	94	6	75	8587	31				
30 da.	July	23	450		2	48			447	52		R. L. Mason.		
1 mo.		22	1500		8				1492			Samuel Wilder.		
20 da.		13	2200		8	43	4	75	2186	82		Meyer & K.		
30 da.		23	500		2	75			497	25		J. A. Bush, Cash.	✓	
1 mo.		19	600		2	90			597	10		W. & F., Cash.	✓	
30 da.		19	1500		7	25	2	88	1489	87		Johnson Mfg. Co.		
			6750		31	81	7	63	6710	56				
30 da.	July	24	1000		5	50	2	25	992	25		H. W. Phillips, Cash	✓	
30 da.		22	575		2	97	1	22	570	81		R. L. Mason.		
30 da.		23	173	91		93			172	98		Samuel Wilder.		
20 da.		14	1485		5	69			1479	31		M. Seelye, Cash.	✓	
			3233	91	15	09	3	47	3215	35				
30 da.	July	25	525		2	89			522	11		H. Sears, Cash.	✓	
20 da.		15	1500		5	75			1494	25		Stillman & Moore.		
30 da.		21	2650		12	81	5	31	2631	88		Wm. Raymond.		
			4675		21	45	5	31	4648	24				

NEW YORK DRAFT REGISTER.

Dr. SECOND NATIONAL COLLEGE BANK,

MONDAY,

NO.	BY WHOM DRAWN.	OF WHAT PLACE.	ON WHAT BANK.	FACE.			
	Balance,					96275	13
234	First National.	Dayton.	Shoe & Leather.	2875			
1851	Commercial.	Corning.	Metropolitan.	542	75		
753	City Bank.	Holley.	Broadway.	37	20		
115	Seward's.	Auburn.	Chemical.	1123	14		
1321	Exchange.	Geneva.	Third National.	2475			
4	Steele & Avery.	City.	D. Slote & Co.	375		7428	09
						103703	22
		TUESDAY,					
	Balance,					87321	97
161	Woodruff's.	Livonia.	Sixth National.	499	50		
943	First National.	Rockford.	Broadway.	2500			
341	Geo. K. Warren & Co.	Bath.	Union Trust Co.	1500			
108	Ward's.	Union.	Third National.	86	90		
347	First National.	Butler.	Chemical.	583	11		
4043	Second National.	Byron.	Broadway.	2586	74		
48	Clark's.	Warsaw.	Sixth National.	138	18	7894	43
						95216	40
		WEDNESDAY,					
	Balance,					78319	40
858	T. J. & W. E. Upton,	Collection.		119	75		
854	R. L. Mason.	"		432	50		
1486	Exchange National.	Dansville.	Bowery.	10494	75		
4142	Wayne Co. National.	Lyons.	Fifth National.	5000			
372	Third National.	Newport.	Bowery.	1287	19		
1009	First National.	Memphis.	Broadway.	63	94		
416	Wheeler's.	Belleville.	Second National.	489	43		
3142	Richmond's.	Batavia.	Chemical.	6300			
113	Ray Brothers.	City.	Cook & Lane.	987		25174	56
						103493	96
		THURSDAY,					
	Balance,					91772	70
1042	First National.	Princeton.	Bowery.	192	82		
213	Woodruff's.	Livonia.	Sixth National.	1482	90		
194	Ward's.	Union.	Third National.	18	25		
1516	Exchange National.	Dansville.	Bowery.	411	07		
2104	Commercial.	Corning.	Metropolitan.	1242	16		
13492	First National.	Waverly.	Union Trust Co.	27	90		
826	City Bank.	Holley.	Broadway.	146	83		
1513	Exchange.	Geneva.	Third National.	875			
482	First National.	Butler.	Chemical.	218	11	4615	04
						96387	74
		FRIDAY,					
	Balance,					84550	87
8046	First National.	Belfast.	Ninth National.	1491	50		
1143	Second National.	Westboro.	Bowery.	188	63		
896	Grangers'	Jackson.	Metropolitan.	864	50		
693	Exchange.	Norwich.	Sixth National.	92	18		
13482	Manufacturers'	Middletown.	Ninth National.	1143	75		
132	F. W. Richmond.	Goshen.	Chemical.	945		4725	56
						89276	43

NEW YORK DRAFT REGISTER.

In Account with CHEMICAL NATIONAL BANK, NEW YORK. Cr.

JUNE 17, 18—.

NO.	IN WHOSE FAVOR DRAWN.	EXCHANGE.		FACE.			
585	Lord & Bennett,		50	325	10		
586	Samuel Wilder,	1	50	1200			
587	G. W. Cook,		15	56	15		
588	Meyer & Kauffman,	3	13	2500			
589	Stillman & Moore,		50	300			
590	Thos. H. Wilson,	12	50	10000			
591	W. F. Jameson,	2	50	2000		16381	25
	Balance (Red Ink),					87321	97
		20	78			103703	22
	JUNE 18.						
592	Lord & Bennett,	1		1141	80		
593	Bingham, Field & Ward,		25	132	20		
594	Wm. Raymond,		50	437			
595	Johnson Manufacturing Co.,	6		6444			
596	Ray Brothers,	4		4496			
597	R. L. Mason,	4		4246		16897	
	Balance,					78319	40
		15	75			95216	40
	JUNE 19.						
598	First National, Belleville,		25	411	50		
599	Norwich National,			3000			
600	T. J. & W. E. Upton,		50	400			
601	Lord & Bennett,		15	52	25		
602	Samuel Wilder,	2	24	1790	26		
603	Johnson Manufacturing Co.,	7	50	5992	50		
604	D. J. Slocum,		15	74	75	11721	26
	Balance,					91772	70
		10	79			103493	96
	JUNE 20.						
605	Johnson Manufacturing Co.,	1	25	998	75		
606	D. C. Allison,		15	17			
607	W. F. Jameson,		50	244	50		
608	L. S. Lansing,		25	116			
609	D. J. Slocum,	6	24	4993	75		
610	P. J. Dudley,		15	73	50		
611	Meyer & Kauffman,	3	12	2496	87		
612	W. B. Sage,	1	25	1000			
613	Lord & Bennett,	2		1598			
614	D. G. Lamson's Bank,		25	298	50	11836	87
	Balance,					84550	87
		15	16			96387	74
	JUNE 21.						
615	Cascade Bank, Portage,		25	843	65		
616	Chas. J. Burke,	12	50	9990			
617	R. L. Mason,	2	74	2188			
618	R. W. Bush,		15	18	50		
619	A. B. Ward,		25	142			
620	Jerome Sackett,		15	82	19	13264	34
	Balance,					76012	09
		16	04			89276	43

NEW YORK DRAFT REGISTER.

Dr. SECOND NATIONAL COLLEGE BANK,

SATURDAY,

NO.	BY WHOM DRAWN.	OF WHAT PLACE.	ON WHAT BANK.	PACE.			
	Balance,					76012	09
828	Chas. J. Burke,	Collection,		957	65		
1009	Howard's,	Dundee,	Bowery,	446	94		
464	First National,	Preston,	Mfg. & Traders',	132	29		
104	J. H. Clark's,	Woodville,	Croton,	273	91		
1264	Second National,	Plainville,	Ninth National,	2500			
749	Lamont & Thomas,	Morrisville,	Sixth National,	382	46		
6891	First National,	Williamstown,	Chemical,	11	18		
317	Woodruff's,	Livonia,	Sixth National,	86	28		
910	Exchange,	Geneva,	First National,	863	25	5653	96
						81666	05

COLLECTION REGISTER.

WHEN LEFT.	NO.	PAYER.	ENDORSER.	WHERE PAYABLE.	TO WHOM SENT.
June 17	854	L. W. Wooden,	R. L. Mason,	Nyack,	Chemical,
	855	L. F. Chappell,	Stillman & Moore,	Second Nat'l, Lyons,	Wayne Co. Nat'l,
	856	W. B. Murdock,	G. H. Perkins,	Canton,	Farmers',
	857	D. A. Welles,	James Angle,	Union, City,	
	858	Daniel Boody,	T. J. & W. E. Upton,	Hoboken,	Chemical,
	859	W. Haynes,	Samuel Wilder,	Norwich,	Norwich Nat'l,
	860	Peter Bradley,	Wm. Raymond,	Rockford,	First National,
18	861	N. Fisher & Co.,	H. B. Cook & Co.,	City,	
	862	Union Bank,	D. J. Loomis,	Union Bank, City,	
	863	Johnson Mfg. Co.,	A. B. Wilson,	City,	
	864	D. B. Hill,	W. F. Jameson,	Lyons,	Wayne Co. Nat'l,
	865	P. G. Warren,	Johnson Mfg. Co.,	Bristol,	Exchange Nat'l,
	866	D. L. Price & Co.,	Maxwell Day,	Kingston,	Traders',
	867	A. A. Wildman,	James Angle,	Rockford,	First National,
	868	W. L. Peters,	W. F. Jameson,	Hoboken,	Chemical,
	869	W. F. Burrows,	James Angle,	Exchange, City,	
	870	Miller & Co.,	Ray Brothers,	First Nat'l, Kingston,	Traders' Nat'l,
	871	Wendell & Hone,	Meyer & Kauffman,	Canton,	Farmers' Bank,
19	872	Harvey Brown,	A. L. Underhill,	Union, City,	
	873	O. W. Lansing,	Brooks & Smith,	City,	
	874	M. M. Ward,	S. P. Stevens,	City,	
	875	Yeoman & Blake,	B. T. Jones & Co.,	City,	
	876	W. H. Atwater,	Lord & Bennett,	Lyons,	Wayne Co. Nat'l,
	877	W. Dunn,	Wm. Raymond,	Corning,	Livingston's,
	878	Ward & Holmes,	D. J. Slocum,	Lyons,	Wayne Co. Nat'l,
	879	King & Co.,	Samuel Wilder,	Canton,	Farmers',
	880	Warren & Co.,	Chas. J. Burke,	Belfast,	First National,
	881	Wilson & Caldwell,	L. W. Perry,	Newport,	Third National,
	882	Nellis & Knox,	Thos. H. Wilson,	Rockford,	First National,
20	883	Jas. Angle,	P. G. White,	City,	
	884	Hart & Shepard,	C. A. Stone,	City,	
	885	Peter Wallace & Co.,	Weaver & Jones,	City,	
	886	Jas. Angle,	E. H. Mott & Co.,	City,	
	887	W. A. Hood,	C. A. Parry & Co.,	Exchange, City,	
	888	L. W. Gage,	Warren & Sharp,	City,	
	889	Tubbs & Co.,	Samuel Wilder,	Kingston,	Traders' Nat'l,
	890	Norman Lacy,	T. J. & W. E. Upton,	Rockford,	First National,

NEW YORK DRAFT REGISTER.

In Account with CHEMICAL NATIONAL BANK, NEW YORK. Cr.

JUNE 22, 18—.

NO.	IN WHOSE FAVOR DRAWN.	EXCHANGE.		FACE.			
621	F. N. Jefferson,		15	114	78		
622	D. J. Slocum,		50	200			
623	Johnson Manufacturing Co.,	4	38	3500			
624	J. H. Wentworth & Co.,		25	100			
625	L. J. Farnsworth,	3	75	3000		6914	78
	Balance,					74751	27
		9	03			81666	05

COLLECTION REGISTER.

DATE.		TIME.	WHEN DUE.		FOR WHOM COLLECTED.	FACE.		CHECK. T. or Cr.	CHECK. Paid.	REMARKS.
June	17	Sight,			R. L. Mason,	432	50			
April	1	3 mo.	July	4	Stillman & Moore,	1250		✓		
June	17	Sight,			G. H. Perkins,	926	18			
						Int. 750				
May	18	30 da.	June	20	James Angle,					
June	17	Sight,			T. J. & W. E. Upton,	119	75	✓	✓	
	13	10 da.		26	Samuel Wilder,	1842	11			
	17	Sight,			Wm. Raymond,	143	90			
	17	Sight,			Norwich National,	4150				
	17	Sight,			Exch. National, Bristol,	493	18			
	17	Sight,			Traders' Nat'l, Kingston,	573	90			
	18	Sight,			Ourselves,	225				
	18	Sight,			Ourselves,	2800				
	18	Sight,			Ourselves,	340				
	18	Sight,			Ourselves,	1350				
	18	10 da.	July	1	W. F. Jameson,	918	75			
May	1	2 mo.		3	James Angle,	1290				
April	30	2 mo.		3	Ray Brothers,	482	60			
June	18	15 da.		6	Meyer & Kauffman,	1194	83			
	19	2 da.	June	24	Geo. K. Warren & Co.,	942	17			
	18	Sight,			First National, Rockford,	1455				
	18	Sight,			Farmers', Canton,	32	18			
	18	Sight,			First National, Belleville,	411	75		✓	Proceeds by N. Y. draft.
	19	Sight,			Ourselves,	211	50			Protested.
	19	Sight,			Ourselves,	275	50			
	19	Sight,			D. J. Slocum,	149	44			
	19	Sight,			Samuel Wilder,	856	90			
	19	Sight,			Chas. J. Burke,	1492				
	19	Sight,			L. W. Perry,	364	87			
	19	Sight,			Thos. H. Wilson,	182	50			
	19	Sight,			Farmers' Bank,	94	16			
	18	Sight,			D. G. Lamson's Bank,	298	75		✓	Proceeds by N. Y. draft.
	19	Sight,			Wayne Co. National Bank,	873	25			
Mch.	22	3 mo.	June	25	Traders' National,	1400				
May	25	30 da.		27	Wisner & Clark's Bank,	375				
June	19	Sight,			Norwich National,	162	11			
	20	Sight,			Ourselves,	194	50			
	20	Sight,			Ourselves,	34	17			

DISCOUNT TICKLER.

JUNE 17, 18—.

NO.	PAYER.	ENDORSER.	WHERE PAYABLE.	TO WHOM SENT.	AMOUNT.	CK	REMARKS.
482	H. Whitaker,	D. J. Slocum,	2d Nat'l, Lyons,	Wayne Co. Lyons	1500	✓	P. & E.
483	H. C. Decker,	Wm. Raymond,	Exchange, City,		8750		
484	W. S. Chapin,	W. W. Wheeler,	Woodruff, Livonia,	Same,	500		
			18.				
485	Maxwell Day,	Burt, Brace & Co.,	Our Bank,		10000		
486	A. O. Bunnell,	Joseph Cone,	Exch., Dansville,	Same,	10500		
			19.				
487	A. M. Hastings,	Samuel Wilder, Meyer & Kauffman	Union, City,		5000		
488	W. T. Tinsley,	J. A. Munson,	Wayne Co., Lyons,	Same,	7500		
489	H. Bancroft,	Samuel Wilder,	Our Bank,		9000		
490	J. Wilson & Co.,	Lord & Bennett,	Our Bank,		15000		
			20.				
491	P. J. Smith,	Ray Brothers,	3d Nat'l, Newport,	Same,	7200		
492	Johnson Mfg. Co.	Freeman Clarke,	Our Bank,		3000		
			21.				
493	R. L. Mason,	P. J. Moore,	Our Bank,		5000		
494	D. W. Smith & Co.	James Angle,	Union, City,		2876 90		
495	L. J. Pratt & Co.,	James Angle,	Exchange, City,		1500		
			22.				
496	Bingham, F. & W.	C. D. Cox,	Our Bank,		2150		
497	P. Wise & Son,	Bingham, F. & W.,	2d Nat'l, Palmyra,	Same,	1800		
498	Creed & Wilson,	Ray Brothers,	Union, City,		2500	✓	Protested, P. & E. 24th.
499	Brown & Wood,	B. Thomas & Son,	3d Nat'l, Newport,	Same,	1750		
			24.				
500	W. F. Jameson,	James Brackett,	Our Bank,		12000		
501	Robert Vaughn,	Lord & Bennett,	Union, City,		2540 18		
			25.				
502	H. W. Glass,	Wm. Raymond,	Brown & Co., Canton,	Farmers', Canton	785		
503	L. W. Davis,	Thos. H. Wilson,	Exchange, City,		3250		

COLLECTION TICKLER.

JUNE 17, 18—.

NO.	PAYER.	WHERE PAYABLE.	TO WHOM SENT.	FOR WHOM COLLECTED.	AMOUNT.		CK	REMARKS.
819	J. H. Wing,	Lyons,	Wayne Co., Lyons,	R. L. Mason,	584	75	✓	P. & E.
820	Porter Farley,	Canton,	Farmers', Canton,	Stillman & Moore,	1250			
			18.					
821	John B. Sage,	Geo. K. Warren & Co., Bath,	Same,	Thos. H. Wilson,	Int. 817			
822	Henry A. Strong,	Union, City,		Meyer & Kauffman	215			
823	W. D. McGuire,	Norwich,	Norwich National,	Wm. Raymond,	368	90		
			19.					
824	E. F. Woodbury,	Newport,	3d Nat'l, Newport,	Samuel Wilder,	63	92		
825	J. E. Booth,	Canton,	Farmers', Canton,	Bingham, F. & W.	216	25		
826	P. Ford,	Rockford Co. Bank	1st Nat'l, Rockford	Ray Brothers,	Int. 1483	50		
			20.					
827	J. M. Harrison,	Bristol,	Exchange National	Lord & Bennett,	1500			
828	R. S. Kenyon,	New York,	Chemical,	Chas. J. Burke,	957	65		
829	A. L. Mabbett,	Lyons,	Wayne Co. Nat'l,	D. J. Slocum,	88	40		
830	J. L. Townsend,	Bath,	Geo. K. Warren & Co., Bath,	James Angle,	396	15		
857	D. A. Welles,	Union, City,		James Angle,	Int. 750			
			21,					
831	F. W. Clark,	Norwich,	Norwich National,	Johnson Mfg. Co.,	911	13		
832	Ward Kelly,	Union, City,		Maxwell Day,	1350			
			22.					
833	Arthur Ranney,	Canton,	Farmers' Bank,	L. J. Farnsworth,	1215			
834	Jacob Hoekstra,	Exchange, City,		S. H. Lowe,	918	30		
835	A. M. Hastings,	Yonkers,	Chemical,	W. F. Jameson,	856	62		
836	L. S. Fulton,	Lyons,	Wayne Co. Nat'l,	R. L. Mason,	126	90		
			24.					
837	Chas. F. Ham,	Union, City,		Stillman & Moore,	318	20		
872	Harvey Brown,	Union, City,		Geo. K. Warren & Co.,	942	17		
			25.					
886	James Angle,	Our Bank,		Traders' National,	1400			

DEPOSIT LEDGER.

We give below three forms of Deposit Ledger, and following those the form of what is called the Balance Ledger. The first form illustrated does not differ from the ordinary Ledger, excepting that an extra column is provided on the right side for balances. In case of an over-draft, the amount of it should be entered in the balance column in red ink.

The second form differs from the first in having the credit amounts placed next to the debit amounts, and the folio and date and explanation to the left and right of these. Computations are greatly facilitated by bringing the money columns in immediate proximity.

The third form contemplates doubling the capacity of the page, by providing two distinct sets of columns, omitting the explanation column. The daily balances are here shown, the same as in the other forms. If found desirable, two accounts may be opened on the same page, one on each side of the double ruling.

CHAS. J. BURKE.

DATE.		ITEM.	Folio.	AMOUNT.		DATE.		ITEM.	Folio.	BALANCE.		AMOUNT.	
June	21		J.	12396	50	June	15			32173	11		
	25			6305	53		17		R.			854	18
	26			4103	42		17		J.	38487	29	5460	
	27			675			19			42413	71	3926	42
	28			3223	71		21			31508	21	1491	
							22			32465	36	957	15
							24			35965	36	3500	
							25			29659	83		
							26			25556	41		
							27			27131	41	2250	
							28			26095	25	2187	55

CHAS. J. BURKE.

ITEM.	DATE.		Folio.	AMOUNT.		AMOUNT.		BALANCE.		Folio.	DATE.		ITEM.
	June	21	J.	12396	50			32173	11		June	15	
		25		6305	53	854	18			R.		17	
		26		4103	42	5460		38487	29	J.		17	
						3926	42	42413	71			19	
						1491		31508	21	J.		21	
						957	15	32465	36			22	
						3500		35965	36			24	
								29659	83			25	
								25556	41			26	

CHAS. J. BURKE.

DATE.		FOLIO.	DEBIT.		CREDIT.		BALANCE.		DATE.		FOLIO.	DEBIT.		CREDIT.		BALANCE.	
June	15						32173	11	June	21	J.	12396	50			31508	21
	17	R.			854	18	33027	29		22				957	15	32465	36
	17	J.			5460		38487	29		24				3500		35965	36
	19				3926	42	42413	71		25		6305	53			29659	83
	21				1491		43904	71		26		4103	42			25556	41

BALANCE LEDGER.

The Balance Ledger is made with a very large page—18 × 23 inches not being an unusual size—large enough to contain the accounts of forty or more depositors on a page. The left hand page is ruled with a column for the names of depositors, and another for the balances of depositor's accounts, on the extreme left; and the remainder of the page is divided into three sets of money columns, each set containing four

columns. The left hand column in each set is devoted to "Checks in Detail," the second to "Total Checks," the third to "Deposits," and the fourth to "Balances."

The right hand page is precisely the same as the other, excepting that the column for the depositor's names is placed upon the extreme right. The same depositor's names are written on both pages, and one line across the page is designed to contain all of the facts regarding the account of the depositor whose name appears upon that line for a week or six consecutive days.

At the close of banking hours each day, every customer's deposit for the day is added to his balance of the day previous, and from this sum the aggregate of his checks is deducted, and the new balance is extended into the "Balance" column. All of the columns are then footed, excepting that devoted to the "Checks in Detail," and in case there are several pages of accounts, the footings are carried forward, so that the final footings shall exhibit the total amount of the checks paid and the total amount of deposits received for the day, as well as the aggregate of the balances of depositor's accounts. The footing of the column of "Total Checks" is carried to the debit of Deposits, on the right hand side of the Journal, and the footing of the column of "Deposits" to the credit of Deposits, on the left hand side of the Journal.

At the end of each week every depositor's balance must be carried forward to a new page. In case of very active accounts, it is often necessary to leave two or three lines in the Ledger to accommodate the Checks in Detail.

ADVANTAGES OF THE BALANCE LEDGER.

The advantages possessed by this form of Ledger are: first, the paying teller can more readily ascertain the condition of a depositor's account; second, the necessity of writing the deposits on both sides of the Journal every day checks are paid and deposits received is obviated; and, third, the book-keeper has forty or more accounts before him at once, instead of being required to consume a large part of the time turning from one account to another.

EMPLOYMENT OF THE BALANCE LEDGER IN THE FOREGOING SET.

[1] Write the names of the depositors in alphabetical order, and Certificates of Deposit, Certified Checks, Cashier and the transient accounts beneath, on the extreme left of the left hand page and on the extreme right of the right hand page, being particular to get each name on the same line on each page. [2] Enter the balance of each account in the "Balance" column, opposite the depositor's name. [3] Enter each customer's checks paid during the day in the "Checks in Detail" column, opposite his name, [4] and extend the aggregate of such checks to the "Total Checks" column. [5] Enter each customer's deposit in the "Deposits" column, [6] and also any collection made for him, from the Collection Register or Collection Tickler, [7] and the proceeds of paper discounted for him, not paid in cash, from the Discount Register. [8] Enter the proceeds of discounted paper that was paid in cash also in the "Deposits" column, opposite "Cashier Account." [9] Add each customer's deposit for the day to the last balance of his account, and from that sum deduct the amount of his checks. [10] The difference will show the present balance of his account, and will be extended into the next "Balance" column, opposite his name. [11] When the account is overdrawn, enter the amount of the "overdraft" in *red ink*.

[12] When the balances of all the accounts have been entered as directed, add the "Total Checks," "Deposits" and "Balance" columns.

[13] To prove the correctness of this work, find the difference between the total checks and deposits for the day. [14] This difference will equal the difference between the total balances of the day and the total balances of the day previous. [15] If the "Balance" column contains both black and red ink entries, foot first the black and then the red ink amounts, and place the footings at the bottom of the column in corresponding ink, and exhibit the difference beneath; which difference will be the amount due depositors.

[16] The footing of the "Total Checks" column is debited to deposits in the Journal, and the footing of the "Deposits" column is credited to deposits in the Journal. Since there is only one entry of Deposits on each side of the Journal, the special columns for deposits are not required.

[17] As depositors are credited in the Balance Ledger with the proceeds of paper discounted for them, and Deposits account is credited in the Journal for the amount with the deposits, the necessity of carrying the other results of the Discount Register to the Journal as well, instead of posting them direct to the Ledger, will be apparent. [18] Bills Discounted should therefore be debited and Collection and Exchange and Discount credited in the Journal each day for the footings of those columns in the Discount Register, in order that the Journal shall show the correct balance of cash.

BALANCE LEDGER.

NAME.	Balance.	MONDAY, JUNE 24, 18—. Checks in Detail	Total Checks.	Deposits	Balance.	TUESDAY, JUNE 25, 18—. Checks in Detail	Total Checks.	Deposits	Balance.	WEDNESDAY, JUNE 26, 18—. Checks in Detail	Total Checks.	Deposits	Balance.
Angle, James,	10301 85	673 60 500 397 84	1571 44		8730 41	1400	1400		7330 41			1171 55	8501 96
Burke, Chas. J.	32465 36			3500	35965 36	900 3463 71 1941 82	6305 53		29659 83	1000 2500 603 42	4103 42		25556 41
Bingham, Field & W.	9221 50	6000	6000		3221 50				3221 50	3000	3000		221 50
Day, Maxwell,	6619 99			1846 75	8466 74	93 18 112 50 825	1030 68	d1616 76 1500	10552 82	1741 96 622 12	2364 08		8188 74
Farnsworth, L. J.	9106 57			1214	10320 57	1153 27 4250	5403 27		4917 30			550	5467 30
Jameson, W. F.	13660 82	12000	12000	d1994	3654 82			5162 92 c 856 12	9673 86			d2664 63	12338 49
Johnson Mfg. Co.	16044 54	4500	4500	d1743 02 3118 56 c 910 63	17316 75			2260	19576 75	300 1074 83 1500	2874 83	4325	21026 92
*													
Certificates of Deposit,	3000				3000	3000	3000					1500	1500
Certified Checks,								1500	1500	1500	1500	1000	1000
Cashier Account,						448 35	448 35	d 448 35		1794 60	1794 60	d1794 60	
TRANSIENT ACCOUNTS.													
Perry & Co., L. W.	364 37	364 37	364 37										
Dunn & Cole,	863	863	863										
Lowe, S. H.	918 30				918 30	918 30	918 30						
Gray, David,								94 25	94 25				94 25
	232206 37		30483 53	19831 57	221554 41		30111 09	20553 09	205996 41		23377 23	25742 99	208362 17

* Several accounts are here omitted, but the footings at the bottom include the results of the accounts omitted as well as those illustrated.

JOURNAL.

MONDAY,

	COLL. & EXCH.		GENERAL.	
Wayne County National, Lyons, 211 92		50	211	92
Norwich National, 865 70	1		865	70
George K. Warren & Co., Bath, 942 17		35	942	17
Bills Discounted, 2500, 12000, 2540 18	7	92	17040	18
Discount, 83c 9 79	3	19	10	62
Chemical National,	9	69	9962	95
Deposits,			19831	57
Collection and Exchange,	22	65	22	65
			48887	76

BALANCE LEDGER.

THURSDAY, JUNE 27, 18—.				FRIDAY, JUNE 28, 18—.				SATURDAY, JUNE 29, 18—.				NAME.
Checks in Detail.	Total Checks.	Deposits.	Balance.	Checks in Detail.	Total Checks.	Deposits.	Balance.	Checks in Detail.	Total Checks.	Deposits.	Balance.	
211 61 63 84 1250	1525 45		6976 51				6976 51				6976 51	Angle, James.
675	675	2250	27131 41	365 2000 183 71 675	3223 71	2187 55	26095 25	1500	1500	d 3243 50 651 71	28490 46	Burke, Chas. J.
3750	3750	4831 15	1302 65			1640 72	2943 37	1000	1000	4000	5943 37	Bingham, Field & W.
1256 88 5000	6256 88	575	2506 86			4000	6506 86	69 35 476 62	545 97	d 1841 38	7802 27	Day, Maxwell.
			5467 30	562 82	562 82	174 80	5079 28	327 92 84 16	412 08	d 1277 55	5944 75	Farnsworth, L. J.
		d 4981 25 710	18029 74	63 44 500	563 44	d 3734 81	21201 11			660	21861 11	Jameson, W. F.
175 86 40 1000	1261 40	1900	21665 52	1500 794 18 162 35	2456 53	d 2452 72 3500	25161 71	118 50 500 1896 17	2514 67	d 4790 84 4942 11	32379 99	Johnson Mfg. Co.
			1500				1500				1500	Certificates of Deposit.
			1000				1000				1000	Certified Checks.
				748 37	748 37	d 748 37						Cashier Account.
												TRANSIENT ACCOUNTS.
												Perry & Co., L. W.
												Dunn & Cole,
												Lowe, S. H.
			94 25				94 25	94 25	94 25			Gray, David.
	20502 87	21933 44	209792 74		13888 24	24365 42	220269 92		11756 50	27292 97	235808 41	
											2 02	Overdrafts in red ink.

JOURNAL.

JUNE 24, 18—.

		GENERAL.	
Wayne County National, Lyons, 423 34		423	34
Farmers' National, Canton, 193 42 1215		1408	42
Traders' National, Kingston, 345 23		345	23
Third National Newport, 583 75		583	75
Norwich National, 911 13		911	13
Chemical National,		4129	68
Deposits,		30483	53
Bills Discounted,		3750	
		42035	08

CORPORATIONS.

The following description of Corporations and explanation of the books of record and of account ordinarily required in a business conducted by a Corporation, are regarded sufficient to enable the learner to comprehend the requirements of such a concern. It is not deemed necessary for the pupil to work through a series of transactions, as has been the practice throughout this work, but the explanations should be carefully studied, to enable him to pass an examination upon the subject.

DESCRIPTION OF CORPORATIONS.

A Corporation is an artificial person, created either by statutory enactment or by conforming with existing statutes.

It is composed of individuals, competent to contract, united under a corporate name. The members of such bodies succeed each other, so that notwithstanding the change of the individuals who compose it, the body or Corporation remains the same; and for certain purposes within the limit of its charter, is considered as a natural person. A Corporation is like a partnership both in the association for the aggregation of capital, and in division of gains and losses; but differs from a partnership in that while a partnership is purely individual, not requiring charter authority, a Corporation cannot exist without the special sanction, nor carry its purposes into effect without the special authority of the laws of the land. As the laws governing Corporations differ in different States, prior to the formation of a Corporation the statutes of the State in which such Corporation seeks to do business should be consulted.

The principal classes of Corporations to be treated commercially are aggregate, and either public, as counties, cities, towns and villages, or private, as bank, railroad and manufacturing corporations.

A Corporation is formed by the agreement of three or more persons, who file and have recorded with the Secretary of State and with the County Clerk, a certificate setting forth the names of the incorporators, the name of the incorporation, amount of capital stock which must be paid in money, the character of the enterprise, time of continuance, and business location; this done, the body is incorporated. Or a charter may, on application, be granted by the Legislature, which when filed with the Secretary of State constitutes incorporation.

While the laws of different States and countries widely differ, in nearly all cases the rights that inhere in Corporations are to elect officers; to fill vacancies, thereby ensuring perpetuity within the limit of their appointed existence; to make by-laws; to remove officers and members; to receive and convey real property; to sue and be sued, and to hold property as trustees.

On all matters of contract for the acts of agents and for taxes, the liabilities of Corporations and of individuals are essentially alike. The tendency of later statutes is to increase the individual responsibility of members of Corporations, although for the exact measure of such individual responsibility in any instance, the local statutes should be consulted.

Books of account and of stock must be kept open for inspection, and reports made according to law; and in case of increase or decrease of capital stock, or change of location, a certificate setting forth the change must be filed, accompanied by a statement of the resources and liabilities of the Corporation.

The law making power in creating a corporation, usually reserves the right of modifying its charter, or of terminating its existence. If a charter be repealed, is surrendered, or by loss of integral parts is forfeited, the Corporation becomes extinct, and its capital and debts constitute a trust fund and pledge for the payment of creditors, and a court of equity will enforce such payment. The obligations of corporate contracts are no more impaired by the extinguishment of the Corporation, than are those of an individual by the death of that individual.

RECORDS OF A CORPORATION.

The books of account of a Corporation do not differ materially from those which would be kept by an individual or partnership, conducting the same kind of business as that carried on by the Corporation, except that, generally, four additional auxiliary books are required. These are called the Subscription Book, the Minute Book, the Stock Ledger and the Stock Transfer Book.

The following brief explanations and illustrations of these books will, it is thought, be found sufficient:

THE SUBSCRIPTION BOOK.

This is simply a blank book, ruled with special reference to receiving the subscriptions of those parties desiring to become share holders in the Corporation. It contains generally the signature of the subscriber, his address, and the number of shares he agrees to take. The form given below will illustrate its principal features.

SUBSCRIPTION BOOK OF THE HOPKINS MANUFACTURING CO., OF CEDARVILLE, N. Y.

Capital Stock, 200,000.00. In 2000 Shares of 100.00 each.

We, the undersigned, by affixing our signatures hereto, subscribe for and agree to take the number of shares of the Capital Stock of the Hopkins Manufacturing Co. placed opposite our respective names, at their par value, and to pay for the same in such installments as may be called for by the Board of Directors, and upon such conditions as are defined in the By-Laws of said Corporation:

DATE.		SIGNATURE OF SUBSCRIBER.	ADDRESS.	No. of Shares.	Par Value.	TOTAL.
188–						
Jan.	6	Wm. F. Hopkins.	Cedarville.	300	100	30000
	6	Orrin F. Hart.	"	350		35000
	8	Chas. Gorres.	"	150		15000
	8	Alfred Wright.	"	200		20000
	8	Samuel B. Stephens.	"	200		20000
	8	Geo. Hartwell.	"	175		17500
	8	Frank C. Hopkins.	Oakland.	175		17500
	11	Jas. W. Lapham.	Cedarville.	150		15000
	12	Wm. T. Graves.	"	150		15000
	12	Harley B. Eaton.	"	150		15000

THE MINUTE BOOK.

This is simply a record book in which is entered a complete history of the proceedings of the Stockholders and of the Board of Directors at all of their official meetings.

It should contain the date of the meeting, the names of the members present, and an explicit and accurate report of all business transacted. The record should be signed by the Secretary and attested by the President.

THE STOCK LEDGER.

This book exhibits the shares of Capital Stock held by each stockholder, showing the installments paid upon them, and any transfers of stock which may have taken place. The payments of installments upon subscriptions are posted from the Cash Book and the transfers from the Transfer Book to the Stock Ledger. The following will indicate the usual form for the entries in the Stock Ledger:

WILLIAM F. HOPKINS.

188–						188–					
Mar.	10	H. B. Eaton, 50 Sh.	1	5000		Jan.	12	1st In., 50%. 300 Sh.	1	15000	
June	30	Balance, 250 Sh.		25000		Feb.	1	2d In., 50%. 300 Sh.	20	15000	
				30000						25000	
						July	1	250 Shares.		25000	

HARLEY B. EATON.

188–					
Jan.	12	1st In., 50% 150 Sh.	1	7500	
Feb.	4	2nd In., 50% 150 Sh.	26	7500	
Mar.	10	W. F. Hop'ns, 50 Sh.	1	5000	
July	1	200 Shares.		20000	

In some instances the payment of subscriptions is made in numerous installments and not infrequently a considerable length of time elapses before the entire subscription is paid. Transfers of stock may in the meantime take place, of which a record should be made upon the books of the company.

The following form of Stock Ledger has been found under such circumstances to be both concise and convenient.

JOHN M. SMITH.

188–				
Jan.	12	Cash, 15 % on 300 Sh., 1st Call,	1	4500
	19	Transferred to Wm. H. Brown 50 Sh., less 15 % paid on 1st Call,		4250
Feb.	10	Cash, 20 % on 250 Sh., 2nd Call,		5000
	25	Cash, 25 % on 250 Sh., 3rd Call,		6250
March	1	Transferred to W. H. Brown 50 Sh., less 60 % pd. on 1st, 2d, & 3d Calls,		2000
	15	Cash, 40 % on 200 Sh., 4th Call,		8000
				30000
July	1	200 Shares,		20000

WILLIAM H. BROWN.

188–				
Jan.	12	Cash, 15 % on 150 Sh., 1st Call,		2250
	19	From Jno. M. Smith, 50 Shares with 15 % of 1st Call paid,		750
Feb.	11	Cash, 20 % on 200 Sh., 2nd Call,		4000
	25	Cash, 25 % on 200 Sh., 3d Call,		5000
March	2	From Jno. M. Smith, 50 Shares with 60 % of 1st, 2nd & 3d Calls pd.,		3000
	15	Cash, 40 % on 250 Sh., 4th Call,		10000
				25000
July	1	250 Shares,		25000

Where the payment of subscriptions is made in several installments, the custom is generally to issue what is called "Installment Scrip," to be exchanged eventually for Certificates of Stock.

The following will illustrate the forms of INSTALLMENT SCRIP and CERTIFICATE OF STOCK.

INSTALLMENT SCRIP.

No. 1.

Date, Jan. 12, 188 .

300 Shares, $100 Each.

50 Per cent.

Received Receipt for same.

Wm. D. Hopkins.

$15000. *Shares 300,* Of $100 Each.

HOPKINS MANUFACTURING COMPANY,

OF CEDARVILLE, N. Y.

Received of Wm. D. Hopkins, Fifteen Thousand dollars, being Fifty dollars per share and the first installment of three hundred Shares of the

Capital Stock of the Hopkins Manufacturing Co.

The said shares are reserved and set apart for him or his assigns, on condition that he or they fulfill the terms of his subscription.

In Witness Whereof we hereunto subscribe our names.

Cedarville, N. Y., Jan 12, 188 .

Chas. J. Gates, Secretary. *Orrin D. Hart,* President.

No. 1.

300 Shares.

Feb. 1, 188 .

Issued to W. F. Hopkins.
of Cedarville, N. Y.

Received the above described
Certificate Feb. 1, 188 .
Wm. F. Hopkins.

CAPITAL, $200,000. No. 1. SHARES, 300. $100 Each.

HOPKINS MANUFACTURING COMPANY,

This is to Certify that William F. Hopkins is entitled to Three Hundred Shares, of One Hundred Dollars each in the Capital Stock of the HOPKINS MANUFACTURING COMPANY, which is transferable only on the Books of said Company, in person or by Attorney, upon surrender of this Certificate.

Cedarville, N. Y., Feb. 1, 188 .

Chas. Potter, Secretary. Orrin F. Hart, President.

THE TRANSFER BOOK.

This book is used in transferring Stock Certificates from one shareholder to another.

It generally consists of printed forms which are filled out in accordance with the conditions of the transaction. It is customary to have these certificates so worded as to be transferable only on the books of the Company, the object being to know at all times who the shareholders are. The following will serve to illustrate the form of the Transfer Book.

L. F. Mar. 10, 188 .

From
1 Wm. F. Hopkins.
To
2 H. B. Eaton.

50 Shares, $100 Each.
Cancelled
No. .....
Issued
No. .....

50 Shares. Cedarville, Mar. 10, 188

For value received I hereby assign and transfer to Harley B. Eaton, all my right title and interest in Fifty Shares of the

Capital Stock of the Hopkins Manufacturing Company,

Standing in my name on the Books of the said Company.

WITNESS,
Geo. H. Hartwell. Wm. F. Hopkins.

In opening the books of a Stock Company, each stockholder should be credited in the Stock Ledger for the amount of stock he has actually paid for, and Capital Stock account should be credited in the main books for the aggregate of such payments. Cash account, of course, being debited for the same amount. The only record of stock subscriptions is contained in the Subscription Book.

When stock is transferred, the party making the transfer is debited in the Stock Ledger for the par value of the stock transferred, and the party to whom it has been transferred is credited for the same amount, no entry being required in the main books.

The profits of the business are divided among the stockholders in the form of a dividend. All accounts showing profits and losses are closed into Loss and Gain account, and that account closed into Dividend account and Undivided Profits account.

The Board of Directors determine the amount of the profit to be divided among the stockholders, usually such an amount as will make an even per cent. upon the Capital Stock. Such amount is charged to Loss and Gain account, and credited to Dividend account. The balance of the profit is charged to Loss and Gain account and credited to Undivided Profits account. When the dividend is paid to the shareholders, Dividend account is charged and Cash account credited.

In all other particulars the books of a Stock Company need not differ from those of an individual or a partnership.

BUSINESS FORMS.

LETTER INCLOSING REMITTANCE.

FULLER & RENDERSON,
WHOLESALE
WOODEN WARE
AND
GROCERS SUNDRIES.
185 MAIN STREET.

ROCHESTER, Oct. 3, 188

Mr Byron Vaile;
Toronto, Ont.

Sir: We inclose herewith New York exchange in settlement of Invoice of Oct. 1, less discount, as follows;

Cash discount 5% 30.61
Draft inclosed 581.64 612.25.

The goods were entirely satisfactory and you may expect another order soon

Yours respectfully,
Fuller & Henderson.

LETTER OF RECOMMENDATION.

CARBONDALE, Aug. 31, 188–.

To whom it may Concern:

We take pleasure in stating that the bearer, Mr. Ralph E. Rogers, who has been employed by us during the past year, is in all respects a competent and faithful book-keeper, and a young man of the highest qualities of head and heart.

Mr. Rogers severs his connection with our house to seek a more congenial climate, and leaves bearing with him the highest regard of all with whom he has been associated.

Respectfully,

BEDELL & LUSK.

LETTER ORDERING GOODS.

ROCHESTER, Oct. 4, 188–.

MR. GEO. P. OSGOOD,
Chicago.

Dear Sir: Please ship us as soon as possible, per L. S. & M. S. R. R. and N. Y. C. & H. R. R. R., the following:

20 doz. 2-hoop Pails; 15 doz. C. Pounders; 25 doz. R. Pins; 10 doz. N. D. Z. Wash Boards; 15 doz. 12-in. B. Bowls; 5 doz. No. 3 Wood Scoops; 25 Nests F. Pails; 5 doz. W. Shovels.

Respectfully,

FULLER & STUDENT

BUSINESS FORMS.

INVOICE OF SHIPMENT.

Invoice of Merchandise shipped to A. G. Niles, Evansville, to be sold on our account and risk.

	200 bu. Potatoes,		@ 65c.	130	
	CHARGES:				
	Paid Cartage,			3	25
				133	25
	GALESBURG, Sept. 15, 188–.				

ACCOUNT OF SALES.

Sales of 500 bu. Red Wheat, on % of Foster Bros.

188–					
Sept.	9	Sold for cash,			
		200 bu. Red Wheat,	@ 1.37½	274	50
	12	Sold for cash,			
		300 bu. Red Wheat,	@ 1.37½	411	75
				686	25
		CHARGES:			
	6	Paid Freight,	50.		
	12	Storage, 2½c. per bu.,	12.50		
	"	Commission, 2 % of Sales,	13.73		
				76	23
		Foster Bro's Net Proceeds,		610	02
		E. E. HERBERT G. WILLIAMS.			
		GALESBURG, Sept. 12, 188–.			

BANK DRAFT.

[May be written across the face of the draft, to prevent a fraudulent change in the amount.] Under One Hundred Dollars.

No. 1867. MANUFACTURERS AND TRADERS BANK,
OF MINNEAPOLIS.

$96.38. MINNEAPOLIS, April 12, 188–.

Pay to the order of Erastus W. Cleveland, Ninety-six and $\frac{38}{100}$ Dollars.

To BROADWAY BANK, New York.

J. R. COMPTON, Cashier

FORMS OF INDORSEMENT.

[Showing Blank Indorsement across the back of W & E. Morgan's note of Oct. 22, page 140.]

THOMAS FIELD.

[Showing Indorsement in Full across the back of New York Draft sent to S. H. & Co., Oct. 24, page 140.]

Pay to the order of Scovell, Hodges & Co.

FULLER & STUDENT.

[Showing Payment Indorsed across the back of C. & H. note of Oct. 28, page 141.]

$200. Received on the within note, Oct. 28, 188–, Two Hundred Dollars.

FULLER & STUDENT.

[Showing form of Qualified Indorsement.]

Pay Wm. Holloway, or order, without recourse to us.

FULLER & STUDENT.

BUSINESS FORMS.

BILL.

FULLER & HENDERSON,
WHOLESALE
WOODEN WARE
AND
GROCERS' SUNDRIES,
165 MAIN STREET.

ROCHESTER, Oct 3, 188-

Frank E. Warren,
New Rochelle.

Bought of **FULLER & HENDERSON.**

FOLIO SALESMAN Andrews TERMS Net 60 ds; 10 ds 2% Dis.

3 Doz.	Novelty L. Q. W. Boards	2 50		7 50
5 "	Eagle L. Q. " "	1 75		8 75
5 Gil. #4	Paper Bags	1 75	8 75	
	less 10%		88	7 87
3 Doz	12 in. Butter Bowls	1 75		5 25
4 "	Cov. N. D. Baskets	2 50		10
2 " #2	Chop. Trays	5.		10
1½ " #10	Feather Dusters	20.	30	
1 " #12	" "		26 50	
			56 50	
	less 25 & 10 %		18 36	38 14
10 Gro.	Gates Matches	2 70		27
6	Broom Racks	2 50.		15
				129 51

CERTIFIED CHECK.

[To be written across the face of the check.]
Certified.
E. W. SMITH, Teller.

$1475.54. SYRACUSE, July 10, 188–.

CENTRAL CITY BANK,

Pay to Bliss, Goodrich & Co., or order, Fourteen Hundred Seventy-five and $\frac{54}{100}$ Dollars.

No. 602. EVANS & KINGSBURY.

CERTIFICATE OF DEPOSIT.

$500.00. DETROIT, May 9, 188-.

SECOND NATIONAL BANK.

Samuel Roberts, Jr., has deposited in this Bank Five Hundred Dollars, payable to himself, or order, on return of this Certificate.

GEO. HINMAN,
Cashier

BUSINESS FORMS.

JOINT NOTE.

$275. CEDAR FALLS, IOWA, Oct. 1, 188–.

Sixty days after date, we promise to pay Orlando Stevens, or order, Two Hundred and Seventy-five Dollars, for value received, at Farmers' Bank.

E. F. HAYDEN.
GEO. N. BROWN.

JOINT AND SEVERAL NOTE.

$1500. BRIGHTON, ILL., June 4, 188–.

One year from date, for value received, we, or either of us, promise to pay to the order of Henry H. Moffatt, Fifteen Hundred Dollars.

FRANK S. HORTON.
M. BORTELLE.

NON-NEGOTIABLE NOTE.

$100. TRENTON, N. J., May 15, 188–.

On demand, I promise to pay Lyman S. Barber, One Hundred Dollars, for value received, with interest.

C. C. BARNARD.

DRAFT (Time from Sight).

(See engraved form on page 41.)

$2000. BALTIMORE, Oct. 28, 188–.

At ten days' sight, pay to Eric Hunter, or order, Two Thousand Dollars, value received, and charge the same to my account.

To J. V. WENTWORTH, Albany, N. Y. SIMON DUNCAN.

DRAFT (Time from Date).

$300. HAMILTON, Sept. 5, 188–.

Thirty days after date, pay to J. C. Goodrich, or order, Three Hundred Dollars, value received, and charge the same to my account.

To CROWLEY & LEAVITT, Evansville, Pa. ALFRED W. HOLLEY.

DRAFT (At Sight).

$100. OLEAN, Feb. 17, 188–.

At sight, pay to the order of Orrin Greenleaf, One Hundred Dollars, value received, and charge the same to our account.

To PARK BANK, New York. WELLSLEY, HOYT & CO.

BUSINESS FORMS.

RECEIPT (To Apply on Account).

$175.25. PHILADELPHIA, Jan. 6, 188–.

Received of Wm. De Long, One Hundred and Seventy-five $\frac{25}{100}$ Dollars, to apply on account.

CHAS. G. APGAR

RECEIPT (In Full of Account).

$200. COBURG, O., Mar. 16, 188–.

Received of Walter Williams, Two Hundred Dollars, in full of account to date.

SMITH & WEIGHTMAN.

RECEIPT (Payment on Note).

$150. RICHFIELD, Pa., Sept. 27, 188–.

Received of Elihu Biddlecom, One Hundred and Fifty Dollars, to apply on his note, in our favor, dated Mar. 27, 188–.

GEO. T. CREED & CO.

DUE BILL (Payable in Goods).

$25. SARDINIA, N. Y., Aug. 1, 188–.

Due R. F. Bainbridge, Twenty-five Dollars, payable in goods from our store.

EATON, CROSS & CO.

DUE BILL (Payable in Money).

$47.64. SMITH'S HOLLOW, Dec. 9, 188–.

Due Chas Parker, or order, on demand, Forty-seven and $\frac{64}{100}$ Dollars. W. H. GORDON.

ORDER (To Apply on Account).

$50. CHELSEA, MICH, Apr. 10, 188–.

French & Hagerman, 149 Lagrange Street, will please pay the bearer Fifty Dollars, and charge the same to my account. D. W. EVEREST.

ORDER (Payable in Goods).

BURLINGTON, KAS., Dec. 6, 188–.

E. & S. Campbell will please deliver to bearer groceries, not exceeding in amount Twenty-five Dollars, and charge the same to me.

RALPH BARTON.

INDIVIDUAL NOTE.

(See engraved form, on page 21.)

$350. ROCHESTER, N. Y., Feb. 2, 188–.

Six days after date I promise to pay W. C. Cooper, or order, Three Hundred and Fifty Dollars, value received.

Due Feb. 11, 188–. STUDENT.

BUSINESS FORMS.

BILL

Jackson, Mich., July 2, 188-

Mr. John N. Hammond

Bot. of Wm. E. Penning & Bro.

364 lbs. P. N. Mutton	9¢		32 76
493 " C. D. Beef	10¢		49 30
243 " B. C. Pork	8¢		19 20
			101 26

Received payment

Wm. E. Penning & Bro.

per J. P.

ACCOUNT SALES

Acct. Sales of 1000 Bu. Barley for J. O. Young

188-					
July	24	Sold for cash			
		1000 bu Barley	90¢		900
		Charges			
"	21	Freight		60	
"	24	Storage		10	
		Commission 2% on sales		18	
					88
		J. O. Young's net proceeds			812

Omaha, Neb., July 24, 188-

INDEX.

Account Sales, explanation of 55, 56, 57
forms of 207
Bank, rule for journalizing 27
examples in 28
checks, form of 28, 208
draft, form of 207
Balance Sheet, guide for 32
form of 34
Bill Book, explanation of 67
form of 66
Bill, forms of 208, 210
Commission, explanations and examples 55–57
Sales Book, Cash Book and Journal as principal books 117–125
Consignments, rules for journalizing 55
examples in journalizing 56–57
Cash Book, explanation of 67
form of 64–65
posting from 69
Cash Method, explanation of 109–112
form of Cash Book 110–111
Check Sheets, explanation of and form for 134
Certificate of Deposit, form of 208
Draft, explanation of 41
forms of 41, 79
rules for journalizing 41–42
examples in journalizing 42–44
Due Bill, payable in goods 161
payable in money 161
Errors in Trial Balance, how found 21
Envelope, form of 80
Executor of a Will, books of 99
Inventory, explanation of 31
liability 67
Interest, how computed, 365 days basis 25
how computed, 360 days basis 68
time for, how found 51
on partners' accounts 141
Indorsement, forms of 207
Journalizing, general rules for 6
special rules for 6
examples in 7–12
directions for 16
Journal, combined with Day Book, form of 45
explanation of 45
Ledger, rules for closing 35
guide for closing 36
closed form of 38
partially closed 48–49
closed directly to proprietor's account 70
Letters, forms of 80, 206
Miscellaneous Accounts, form of 108
Manufacturing, explanation of books used 151
forms of books used 152–153
Note, ordinary promissory, form of 21
joint 209
joint and several 209
non-negotiable 209
Order, payable in money 209
payable in goods 209
Posting, explanation of 17
guide for 17–18
with Ledger explanations 64–65, 69
Partnership, explanation of 44
profits, division of 48
interest on partners' accounts 141
Protest Fees, how charged 52
Petty Ledger, explanation of 103
form of 106
Receipt for payment on account 209
for payment on note 209
Retail Business, explanation of books used 143
forms of books used 144–147
inventories, how treated 150
Shipments, rules for journalizing 55
examples in journalizing 55–56
inventory of 60
invoice of 207
Single Entry, explanation of 81
changing to Double Entry 85
Cash Book 89
Special Column Journal, explanation of 93
form of 94–98
Trial Balance, explanation of 20
errors in 21
Ledger balances 40
continued form 135
Wholesale Business, explanation of books used 128
forms of books used 128–132

INDEX TO BANKING AND CORPORATIONS.

Banking Books, description of 159–160
Balance Ledger, description of 199
advantages of 199
form of 200–201
Collection Register, form of 195–196
Collection Tickler, form of 197
Corporations, description of 202
records of 203
forms of books used 203–205
Division of Profits 182–183, 205
Discount Register, form of 190–191
Deposit Ledger, balances, June 15 161
how proved 182
forms of 198, 200, 201
Discount Tickler, form of 196
General Ledger, balances, June 15 161
how proved 182
Journal, form of 184–189
Memoranda of Business 165–182
New York Draft Register, form of 192–193
Organization of Banks 158
Statement, June 29 182

APPENDIX.

SUPPLEMENTARY EXERCISES.

The following transactions are designed, primarily, to afford additional drill in determining the proper debits and credits in recording business transactions, and may be performed upon paper or used as exercises for class drill in the elements of bookkeeping. The latter plan will be found productive of most excellent results, and is recommended by the authors, as it adds the aid of the teacher to the effort of the pupil, thus securing to the pupil thorough knowledge in the shortest possible time. It is advised that those pupils who are engaged upon a particular part of the work in bookkeeping—initiatory, intermediate or advanced—be taken in classes into a recitation room and required to give the debits and credits of all parties in the transactions in this work that are of the same general character as those upon which they are engaged at their desks. In addition to the entries of all parties, it is recommended that the pupils be required to give the forms of all commercial paper introduced, with their proper indorsements. It is believed that this class drill will rivet the principles of debit and credit, and the forms and requisites of commercial paper upon the mind of the pupil as no other process can do, and will effect a great saving of time and labor upon the part of the teacher

Such class work should closely resemble the following:

January 8. Bought of H. C. Franklin, Chicago, on [illegible] 30 days, 200 bbls. Pork, @ 12.00, 2400.00.

Ques. What should be your debit and credit for this transaction, and why?

Ans. Mdse. should be debited because the merchandise has been bought—comes into my possession; and H. C. Franklin should be credited, because I have become indebted to him.

Ques. What debit and credit will Franklin make, and why?

Ans. He will debit me, the purchaser, because I have become indebted to him, and will credit Mdse. because he has disposed of merchandise.

Ques. What entries will you make thirty days hence, upon payment in cash of the amount due H. C. Franklin, and why?

Ans. Debit H. C. Franklin, because I have got out of his debt, and credit Cash because I have paid out cash.

Ques. What entries will H. C. Franklin make upon receiving from you cash, in settlement of your account, and why?

Ans. He will debit Cash, because he has received cash, and credit me, because I have got out of his debt.

Again, April 3, bought of Granger & Co., Minneapolis, 2000 bbls. Flour, @ 5.25 per bbl., 10500.00. Gave in payment our check on German-American Bank for 4000.00. J. C. Reid's note, 5000.00, discount to maturity allowed Granger & Co., 72.50, and cash for balance, 1572.50.

Ques. What debits and credits will you make for this transaction, and why?

Ans. Debit Flour, because flour has been purchased; debit Discount, because discount has been allowed Granger & Co.; credit Bills Receivable, because J. C. Reid's note has gone out of our possession; and credit Cash for the amount of the cash, because we have paid out cash; and credit German-American Bank, because we have drawn a check on them.

Ques. What entries will Granger & Co. make, and why?

Ans. Debit Bills Receivable, because J. C. Reid's note has been received; debit cash for the amount of the check and currency, because so much cash has been received; credit Flour, because flour has been sold; and credit Discount because discount has been allowed them.

Ques. What entry will the German-American Bank make when the check is paid, and why?

Debit Preston & Co., makers of the check, because the check is drawn by them—lessening their deposit that amount—and credit Cash because cash has been paid out.

APPENDIX.

SUPPLEMENTARY EXERCISES.

The following transactions are designed, primarily, to afford additional drill in determining the proper debits and credits in recording business transactions, and may be performed upon paper or used as exercises for class drill in the elements of bookkeeping. The latter plan will be found productive of most excellent results, and is recommended by the authors, as it adds the aid of the teacher to the effort of the pupil, thus securing to the pupil thorough knowledge in the shortest possible time. It is advised that those pupils who are engaged upon a particular part of the work in bookkeeping—initiatory, intermediate or advanced—be taken in classes into a recitation room and required to give the debits and credits of all parties in the transactions in this work that are of the same general character as those upon which they are engaged at their desks. In addition to the entries of all parties, it is recommended that the pupils be required to give the forms of all commercial paper introduced, with their proper indorsements. It is believed that this class drill will rivet the principles of debit and credit, and the forms and requisites of commercial paper upon the mind of the pupil as no other process can do, and will effect a great saving of time and labor upon the part of the teacher.

Such class work should closely resemble the following:

January 8. Bought of H. C. Franklin, Chicago, on %, at 30 days, 200 bbls. Pork, @ 12.00, 2400.00.

Ques. What should be your debit and credit for this transaction, and why?

Ans. Mdse. should be debited because merchandise has been bought—comes into my possession; and H. C. Franklin should be credited, because I have become indebted to him.

Ques. What debit and credit will Franklin make, and why?

Ans. He will debit me, the purchaser, because I have become indebted to him, and will credit Mdse. because he has disposed of merchandise.

Ques. What entries will you make thirty days hence, upon payment in cash of the amount due H. C. Franklin, and why?

Ans. Debit H. C. Franklin, because I have got out of his debt, and credit Cash because I have paid out cash.

Ques. What entries will H. C. Franklin make upon receiving from you cash, in settlement of your account, and why?

Ans. He will debit Cash, because he has received cash, and credit me, because I have got out of his debt.

Again, April 3, bought of Granger & Co., Minneapolis, 2000 bbls. Flour, @ 5.25 per bbl., 10500.00. Gave in payment our check on German-American Bank for 4000.00. J. C. Reid's note, 5000.00, discount to maturity allowed Granger & Co., 72.50, and cash for balance, 1572.50.

Ques. What debits and credits will you make for this transaction, and why?

Ans. Debit Flour, because flour has been purchased; debit Discount, because discount has been allowed Granger & Co.; credit Bills Receivable, because J. C. Reid's note has gone out of our possession; and credit Cash for the amount of the cash, because we have paid out cash; and credit German-American Bank, because we have drawn a check on them.

Ques. What entries will Granger & Co. make, and why?

Ans. Debit Bills Receivable, because J. C. Reid's note has been received; debit cash for the amount of the check and currency, because so much cash has been received; credit Flour, because flour has been sold; and credit Discount because discount has been allowed them.

Ques. What entry will the German-American Bank make when the check is paid, and why?

Debit Preston & Co., makers of the check, because the check is drawn by them—lessening their deposit that amount—and credit Cash because cash has been paid out.

Ques. Give the form of J. C. Reid's note as originally received by B. F. Preston.

Ans.

5000.00. ——————————, March 1, 18—.

July 1, after date, I promise to pay B. F. Preston, or order, Five Thousand Dollars, at First National Bank, value received.

J. C. REID.

Ques. What will be necessary for B. F. Preston to do upon investing that note in the business of Preston & Co.?

Ans. Write his name on the back of the note, or write, Pay Preston & Co., or order, and sign his name.

Ques. In case the latter form is adopted how will the firm of Preston & Co. transfer it to Granger & Co.?

Ans. They will write on the back, under the present indorsement, the firm name, or Pay Granger & Co., or order, and add the firm's signature.

Ques. Give the form of the check on German-American Bank on April 3.

Ans.

4000.00. ——————————, April 3, 18—.

German-American Bank.

Pay to Granger & Co., or order, Four Thousand Dollars.

No.—— PRESTON & CO.

JANUARY.

1. The Student commenced business this day, and invested cash, 5000.00.
2. Bought for cash of E. H. Fellows, Albany, 100 bbls. Flour, @ 8, 800.00.
3. Sold W. H. Stern, Baltimore, on ℔, 25 bbls. of Flour, @ 10, 250.00.
4. Sold for cash to S. B. Alverson, New York, 50 bbls. of Flour, @ 9.50, 475.00.
7. Received cash of W. H. Stern, to apply on ℔, 100.00.
8. Bought of H. C. Franklin, Chicago, ℔, at 30 days, 200 bbls. Pork, @ 12, 2400.00.
9. Bought of P. Armour & Co., for cash, 100 bbls. Lard, @ 25, 2500.00.
12. Sold Jas. Garrison, on ℔, 50 bbls. Pork, @ 15.00, 750.00.
17. Sold H. D. Jones, on ℔, 50 bbls. Lard, @ 27, 1350.00.
19. Bought of A. P. Barnes, on ℔, 200 bbls. Flour, @ 7.50, 1500.00.
21. Sold for cash, 50 bbls. Lard, @ 26.75, 1337.50.
23. Sold W. H. Stern, on ℔, 100 bbls. Flour, @ 8.25, 825.00.
25. Received cash of H. D. Jones, on ℔, 1000.00.
27. Sold for cash, 75 bbls. Flour, @ 8.10, 607.50.
29. Bought for cash, 200 bbls. Flour, @ 7.25, 1450.00.
31. Paid A. P. Barnes 1000.00, on ℔.

Inventory—250 bbls. Flour, 7.25	1812.50
150 " Pork, 12.00	1800.00
	3612.50
Cash	2700.00
Net Gain	557.50

FEBRUARY.

1. Increased my capital by an additional investment of 3000.00.
2. Bought of Johnson & Co., on my note at 15 days, 100 bbls. Salt, @ 1.25, 125.00.
4. Sold D. B. Davis, on his note at 10 days, 50 bbls. Pork, @ 13.50, 675.00.
6. Received of W. H. Stern his note, at 10 days in full of ℔, 975.00.
7. Paid H. C. Franklin 2400.00, in full of account.

8. Sold for cash, 50 bbls. Salt, @ 1.50, 75.00.

10. Sold Jas. Garrison, on a/c, 50 bbls. Pork, 13.75, 687.50.

12. Bought of P. Armour & Co., for cash, 50 bbls. Lard, @ 24.00, 1200.00.

14. Received cash of Jas. Garrison, 1000.00 on a/c.

17. D. B. Davis has paid his note of 4th instant in cash, 675.00.

18. Sold Jas. Garrison, on a/c, 25 bbls. Lard, @ 26.00, 650.00.

19. W. H. Stern has paid his note of 6th inst. in cash, 975.00.

20. Paid our note of 2d inst. in cash, 125.00.

22. Sold James Payne, on his note at 10 days, 50 bbls. Pork, @ 13.25, 662.50.

24. Bought of R. B. Ashley & Co., on my note at 30 days, with interest, 100 bbls. Pork, @ 11.50, 1150.00.

26. Sold for cash, 25 bbls. Lard, @ 27.00, 675.00.

28. Bought of P. Armour & Co., on my note at 30 days, 100 bbls. Lard, @ 23.50, 2350.00.

Inventory—250 bbls.	Flour, @ 7.25,	- - - - - - - - -	1812.50
100 "	Pork, @ 11.50,	- - - - - - - - -	1150.00
100 "	Lard, @ 23.50,	- - - - - - - - -	2350.00
50 "	Salt, @ 1.25,	- - - - - - - - -	62.50
			5375.00
Net Gain.	- - - - - - - - - - - - - -		362.50
Cash,	- - - - - - - - - - - - - -		5445.00

MARCH.

1. Paid two months' rent of store in cash, 200.00.

3. Sold Jas. Garrison, on his note at 10 days, with interest, 200 bbls. Flour, @ 8.00, 1600.00.

5. Paid clerk's salary for two months, in cash, 100.00.

7. James Payne has paid his note in cash, 662.50.

9. Bought of James Willis on our acceptance at 30 days, payable at German-American Bank, 500 bbls. Flour, @ 7.00, 3500.00.

11. Sold C. M. Benton, on his acceptance at 10 days, payable at Third National Bank, 200 bbls. Flour, @ 7.75, 1550.00.

13. Bought of J. W. Whitney, on our note at 30 days, payable at German-American Bank, with interest, 200 bbls. Salt, @ 1.25, 250.00.

15. Sold H. L. Haskins, on his check on First National Bank, 200 bbls Flour, @ 7.80, 1560.00.

16. James Garrison has paid his note of 1600.00, due to-day, with interest, 3.47.

18. Paid our acceptance due April 11th, 3500.00, in cash, less discount for time it has yet to run. Discount, 24 days, 14.00.

20. Sold S. G. Davis, on his note at 30 days, payable at Merchants' Bank, 75 bbls. Lard, @ 24.50, 1837.50.

22. Sold M. J. Riggs, on his check on Merchants' Bank, 50 bbls. Pork, @ 12.25, 612.50.

24. C. M. Barton has paid his acceptance of 11th inst., 1550.00, by his check on Third National Bank.

26. S. G. Davis has paid his note of 20th inst., 1837.50, less discount to maturity—27 days—by his check on Merchants' Bank. Discount, 8.27; amount of check, 1829.23.

28. Bought of P. Armour & Co., on our acceptance at 30 days, payable at German-American Bank, 100 bbls. Lard, @ 22.75, 2275.00.

29. Paid our note, favor R. B. Ashley & Co., 1150.00, with interest for 33 days, in cash. Interest, 6.33.

31. Sold Mason & Brown, on their note at 10 days, payable at First National Bank, 150 bbls Salt, @ 1.40, 210.00.

Inventory—150 bbls.	Flour, @ 7.00,	- - - - - - - -	1050.00
50 "	Pork, @ 11.50,	- - - - - - - -	575.00
125 "	Lard, @ 22.75,	- - - - - - - -	2843.85
100 "	Salt, @ 1.25,	- - - - - - - -	125.00
			4593.75
Cash,	- - - - - - - - - - - - - - - -		8320.38
Net Gain,	- - - - - - - - - - - - - - - -		260.88

APRIL

1. Student and B. F. Preston have this day formed a copartnership for the purpose of conducting a General Produce business, under the firm name of Preston & Co., each to invest 20000.00. Student's investment consists of Warehouse and Lot, valued at 15000.00, upon which there is a mortgage of 5000.00, having two years yet to run from this date; an account against B. H. Manning, St. Louis, 2963.50, due April 15th; a note against Samuel Drake, Chicago, for 5860.00, payable at Live Stock National Bank, at one month, from March 4th, with interest, now worth 27.35, in addition to its face, and horses, wagons, harnesses, scales, trucks, etc., for use of warehouse, valued at 1149.15.

B. F. Preston invests cash, 14400.00, J. C. Reid's note for 5000.00, dated March 1st and payable at First National Bank, due June 30th, without interest. Discount allowed, 75.00; an account against C. W. Norton, New York, due May 7th, 1792.87.

B. F. Preston owes W. S. Bancroft, Cincinnati, on his note, payable at Third National Bank, due May 9th, without interest, 1125.00. Discount to maturity, 7.13.

1. Deposited cash in German-American Bank, 5000.00.

2. Bought for cash, 6 carloads No. 1 Red Wheat, 2375 bush., @ 85c., 2018.75, and 10 carloads Canada Barley, 3960 bushels, @ 66c., 2613.60. Total 4632.35.

NOTE.—Instead of keeping a general Merchandise account, you will keep an account with each kind of produce, as Wheat, Corn, Barley, etc.

3. Bought of Granger & Co., Minneapolis, 2000 bbls. Flour, @ 5.25 per bbl. Gave in payment our check on German-American Bank for 4000.00. J. C. Reid's note, 5000.00, discount to maturity, allowed G. & Co., 73.33, and currency for balance, 1573.33.

5. B. H. Manning, St. Louis, has failed, and, in common with other creditors, we have decided to accept 80 per cent. of our claim, for which a draft on New York has been received. Student having guaranteed the account, he must bear the loss. Account, 2963.50, discount, 592.70, amount of draft, 2370.80.

7. Sold Guernsey & Co., Brooklyn, on their acceptance at 30 days, 500 bbls. Flour, @ 5.75, 2875.00.

9. Received draft on New York, from Live Stock National Bank of Chicago, for proceeds of Samuel Drake's note of 5860.00, due on the 7th inst. Interest collected, 32.23, Bank charges 5.00 for collection and 5.00 for exchange on draft. Amount of draft, 5882.23.

11. Sold Prescott & Smith, Newark, 2 carloads Red Wheat, 1152 bushels, @ 92c., 1059.84, and 3 carloads Canada Barley, 1180 bushels, @ 72c., 849.60. Total, 1909.44. Received Ballard & Jones' note, favor P. & S., and indorsed by them for 1500.00, dated March 17th, at two months, payable at Manufacturer's Bank, Newark, less discount to maturity, and their check on Newark National Bank, for balance. Discount, 9.75, check, 419.19.

14. Bought for cash, 8 carloads Oats, 3864 bushels, @ 41c., 1584.24.

16. Sold Nichols & Co., Boston, at 60 days, 1000 bbls. Flour, @ 5.90, 5900.00.

18. Wishing to pay the mortgage on the warehouse, which will not mature until two years from the 1st inst., we offer 50.00 in addition to the face and interest to date, which is accepted. Interest, 15.00, Cash payment, 5065.00.

22. Received from Wilson & Rockwell, Monroe, 5 carloads, 1964 bush. Wheat to be sold on commission. Paid freight, 61.65, drayage, 25.00 in cash.

29. Student invests 592.70 in cash, the amount of the discount on B. H. Manning's account.

Inventory—1223 bu. Wheat, @ 85c.,	1039.55
2780 bu. Barley, @ 66c.,	1834.80
500 bbls. Flour, @ 5.25,	2625.00
3864 bu. Oats, @ 41c.,	1484.24
Horses, Wagons, Scales, etc.,	1149.15
Warehouse,	15000.00
Cash on hand,	5723.35
Cash in bank,	1000.00
Net Gain,	985.61

MAY.

1. Mr. F. E. Thomas is this day received as partner in the business, giving each of the present proprietors his note at six months, with interest, for such an amount as will equalize the investments; to Student, 6830.94, and to B. F. Preston, 6830.93.

3. Sold for cash, the 5 carloads, 1964 bushels, Wheat, received from Wilson & Rockwell, @ 93c. per bush., 1826.52.

5. Deposited cash in German-American Bank, 4500.00.

6. C. W. Norton, being unable to pay his account, 1792.87, due to-morrow, sends us a joint and several note, made with interest at two months, payable at Ninth National Bank, Philadelphia, signed by himself and W. S. Newcomb, which we receive in settlement.

8. Remitted by our check on German-American Bank, for amount due to-morrow on B. F. Preston's note, favor W. S. Bancroft, 1125.00.

10. Received cash for Guernsey & Co.'s acceptance, due to-day, 2875.00.

13. Shipped Randall & Reed, New York, to be sold on our account, 4 carloads Red Wheat, 1223 bush., invoiced, @ 85c., 1039.55. Paid insurance in cash, 5.00.

15. Rendered Wilson & Rockwell an account sales of the 5 carloads Wheat, received from them to be sold on commission. In addition to freight, 61.65, and drayage, 25.00, paid when the Wheat was received, we charge 2 per cent. Commission, 36.53, Storage, 25.00, and Insurance, 9.00. Remitted consignors our check on German-American Bank for net proceeds, 1669.34.

18. Sold Strong & Wood, Fairport, 4 carloads Barley, 1539 bush., @ 77c., 1185.03, on their acceptance at 60 days, indorsed by W. L. Pinson, payable at DeLand National Bank, Fairport.

20. Ballard & Jones' note due to-day has been protested for non-payment. Protest fees, 1.60, paid by us in cash.

23. Ballard & Jones have paid their note due the 20th, 1500.00, protest charges, 1.60, and three days interest, 75c., by new note at 60 days, with interest, payable at Manufacturer's Bank, Newark, for 750.00, balance in cash, 752.35.

27. Sold Jones & Co., on their check on Trader's Bank, 4 carloads Oats, 1921 bushels, @ 45½c., 874.06.

30. Received from Randall & Reed, New York, an account sales of wheat shipped them on commission, on the 13th inst. Our net proceeds, 1224.15, due by equation. June 15th.

Inventory—1241 bu. Barley, @ 66c,	819.06
500 bbls. Flour, @ 5.25,	2625.00
1943 bu. Oats, @ 41c,	796.63
Warehouse,	15000.00
Horses, Wagons, Scales, etc.,	1149.15
Cash on hand,	7544.68
Cash in bank,	2705.66
Net Gain,	506.62

JUNE.

1. B. F. Preston, wishing to retire from the business, proposes to sell his interest to the other two partners, receiving one half cash and note for balance, which is accepted. The note for such balance will be signed by the new firm; the style of which is, Thomas & Co. Cash, 6915.38; Note, 6915.37.

4. Nichols & Co., propose to pay their account, 5900.00, due 15th, providing we will allow them one-quarter per cent. discount on its face, which is accepted. Discount, 14.75, cash, 5885.25.

7. Paid insurance for one year from April 1st, on warehouse, valued at 11000.00, in cash. Premium 1 per cent., 110.00. Also paid premium for one year, obtained April 1st on an open policy of insurance on contents of warehouse. Policy, 10000, Premium, 100.

10. Received from Pillsbury & Co., 1000 bbls. Flour, invoiced at 5.10, to be sold on their %, and risk. Paid freight in cash, 212.00; our cartage, 20.00.

13. Bought of Cook & Co., on our acceptance at 30 days, payable at German-American Bank, 5 carloads Red Wheat, 2116 bushels, @ 93c., 1967.88.

15. Received from Randall & Reed, cash for proceeds of shipment due to-day, 1224.15.

18. Owing to the unfavorable appearance of the wheat market, we have determined to sell the 2116 bushels, now on hand, at present price, 89c., for which we receive cash, 1883.24,

21. Messrs. Pillsbury & Co., being in need of funds, notify us that they have drawn on us for 2500.00, at 14 days from the 18th inst., on account of the invoice of Flour received from them on the 10th inst. Accepted the draft, payable at German-American Bank.

23. Sell D. Collins, Winchester, for cash, 2 carloads Barley, 813 bushels, @ 77c., 626.01

26. Sold, for cash, 500 bbls. Flour, Pillsbury & Co.'s consignment, @ 5.90, 2950.00.

30. The warehouse and contents were last night, totally destroyed by fire. The insurance companies have this day adjusted the losses which were paid in cash, as follows: Warehouse, 11000.00; Scales, Trucks, etc., 200.00; Contents, 6763.63—2600.00 of which was on % of 500 bbls. Flour, belonging to Pillsbury & Co., which were stored in the warehouse, and covered by the open policy of insurance; and the remaining 4163.63 was apportioned as follows: Flour, 2950.00; Oats, 884.07, Barley, 329.56.

30. Deposited in German-American Bank, 10000.00.

30. Closed Pillsbury & Co.'s consignment, and rendered consignors an account of sales. Our charges, in addition to freight and cartage already entered, are: Commission, 2 per cent. on 500 bbls. sold, 59.00; Storage, 5.00; Insurance, 12.75. Pillsbury & Co.'s net proceeds, 2741.25, remitted by our check on German-American Bank.

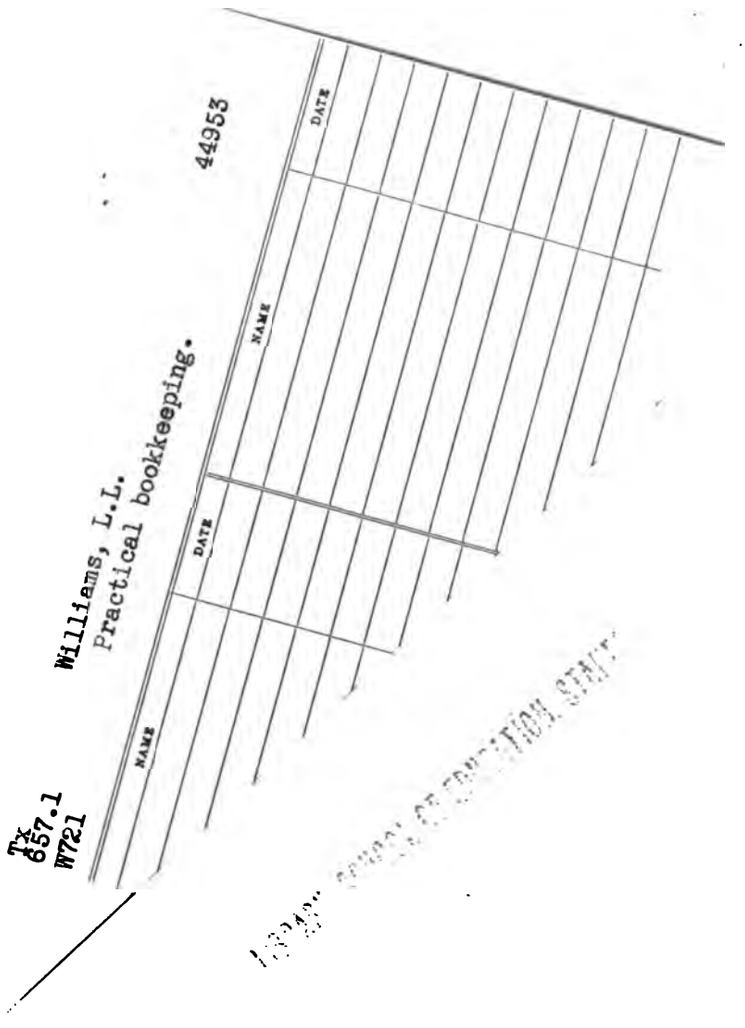
The books will now be closed, preparatory to closing out the business.

Inventory—Warehouse Lot, valued at,	4000.00
Horses, Wagons, etc., valued at,	900.00
Net Gain,	267.18
Students present worth,	13964.32
B. F. Thomas present worth,	13964.32
Cash in bank,	9964.41
Cash on hand,	20719.58

To avoid fine, this book should be returned on
or before the date last stamped below

50M—9-40

Tx
657.1
W721


Williams, L.L.
Practical bookkeeping.
44953
NAME
DATE
NAME
DATE
Tx
657.1
W721